THE Freeman

IDEAS ON LIBERTY

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THE Freeman

A MONTHLY JOURNAL OF IDEAS ON LIBERTY

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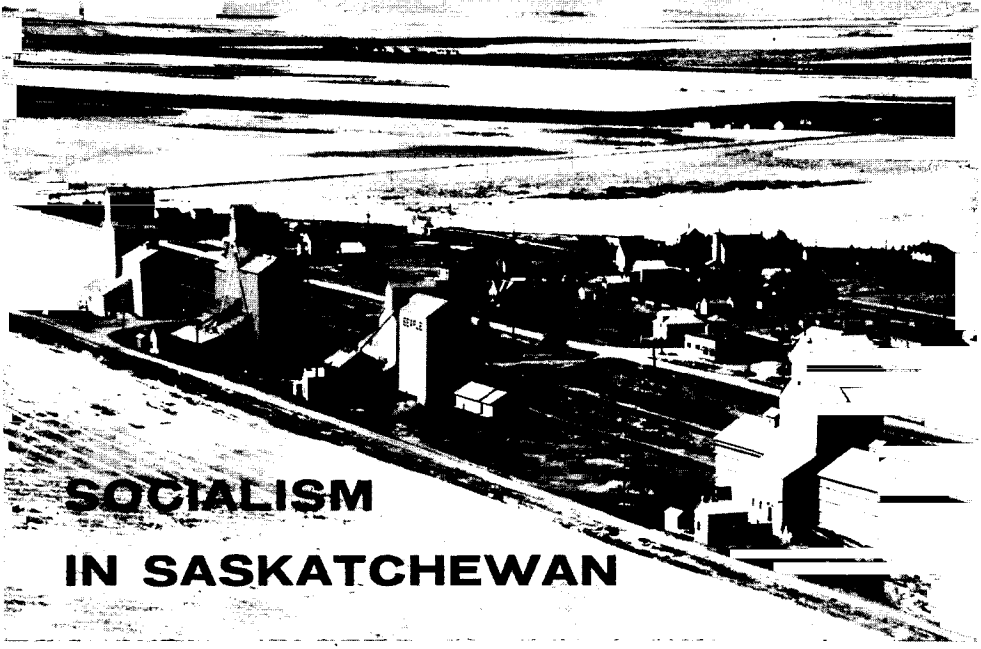

SOCIALISM IN SASKATCHEWAN

THE HONORABLE W. ROSS THATCHER, Premier of Saskatchewan

SASKATCHEWAN, with a population of slightly under one million people, for 20 years from 1944 to 1964 had a socialist government—about the only one in North America, except Castro's. Two years ago, we defeated that government.

Saskatchewan is primarily agricultural. We have many well-to-do and efficient farmers. We have one of the higher standards of living in the world. The questions frequently are asked: "How did socialism take over? How did it last for 20 years?"

Photograph: Aerial view of Riceton. National Film Board.

To find an answer, one must go back to the dark days of the depression. In the 1930's a terrible drought struck. Year after year, crop failure followed crop failure. At the same time, the world price of wheat dropped to less than 35 cents per bushel. These two factors brought our prairie economy to its knees. Unemployment was everywhere. Men lost their dignity and their self-respect.

Of course, the government and the economic system of the day were blamed. Out of the depths of the depression, the Socialist Party, which glibly promised to solve these terrible problems, was born.

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Among other things, the socialists proposed:

1. To end unemployment;
2. To provide jobs by building socialist factories;
3. To provide free medical and health services;
4. To give a new deal to the farmer.

Thus, as a protest to depression conditions, in 1944 Saskatchewan elected a socialist government.

For 20 long years, our people were subjected to a leather-lunged propaganda machine, paid for from public funds, which filled the air with plausible platitudes and clichés. You have heard some of them –

"Tax the rich to help the poor";
"The capitalist is an exploiter of the masses";
"Only a planned economy is the answer to unemployment";

and so on.

They had all the answers.

How Did They Succeed?

In 1944, the socialists said they would solve the unemployment problem by building government factories. Not only this, they promised to use the profits from these socialist enterprises to build highways, schools, hospitals, and to finance better social welfare measures generally. Over the years they set up 22 so-called Crown Corporations. By the time we had taken over the government, 24 months ago, 12 of the Crown Corporations had gone bankrupt or been disposed of. Others were kept operating by repeated and substantial government grants. Virtually without exception, those which have had to compete with private enterprise on equal terms lost huge sums of money regularly and consistently. The whole Crown Corporation program became bogged down in a morass of bungling, red tape, and inefficiencies. The experiment cost the taxpayers of Saskatchewan millions of dollars.

War on Business

During the whole period, the socialists waged war against private business. They passed legislation giving the government power to expropriate and operate any industry or business in the province. The making of profits was condemned as an unforgivable sin. The public and avowed objective of the socialist government was to "eradicate capitalism."

What was the result?

Investors from Eastern Canada, from Europe, from the States, simply turned their back on the socialists. Industry after industry looked over sites in our province, only to by-pass Saskatchewan and locate elsewhere in Canada. Dozens

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of oil companies pulled up stakes lock, stock, and barrel and moved out of the province because of discriminatory legislation. Gas exploration ground to a complete halt. Prospecting in our vast north became almost nonexistent. During the period, while Canada was experiencing the greatest economic boom in her history, Saskatchewan received only a handful of new factories.

From 1945 to 1963, more than a million new industrial jobs were created across Canada. Yet in Saskatchewan, after 18 years of socialism, there were fewer jobs in manufacturing than existed in 1945 – this despite the investment of $500 million in Crown Corporations.

Social Services

As I said earlier, prior to taking office the socialists promised a greatly expanded program of social welfare measures. There was to be "free" medical care, "free" hospitalization care, "free" drugs, and so on. The money to finance these projects was to come from the profits of the Crown Corporations. Of course, in the overall picture, there were no profits; rather, there were colossal losses. Thus, the welfare program had to be financed from taxation.

Most people in Saskatchewan like the principle of our hospitalization plan – all hospital bills are paid by the government, from tax revenue. However, in 16 years, costs have gone from $7½ million to $57 million. Three years ago, a medical care scheme was introduced – under which all medical bills are paid. The same pattern of skyrocketing costs is evident also in this field. Our people have found that medicare and hospitalization are anything but "free." On the contrary, they will cost our people $110 million this year – and are still rising 10 per cent annually.

Taxes

Under the socialist government, our provincial debt went from $150 million to $600 million. During the period more than 600 completely new taxes were introduced; 650 other taxes were increased. "Per capita" taxes in Saskatchewan were soon substantially out of line with our sister provinces – one more reason why industry located elsewhere.

Compulsion

Throughout their regime, the socialists tended to use compulsion. Repeatedly, their boards and agencies were manned by some social theorists, who told businessmen how their businesses should be run. Everyone in the north was forced by law to sell his timber to the government-monopolized tim-

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ber board, every trapper, his fur through the government fur marketing board. Every fisherman who caught a fish was forced by law to sell it through the government fish board. Every purchaser of an automobile license was forced to take his insurance from the Government Insurance Company. Two years ago, they introduced a medical plan where every doctor would have been forced to receive his remuneration from the government. Only an aroused public opinion forced them to withdraw this contentious legislation. Drivers of government cars and trucks were instructed to buy their gasoline from Co-ops.

Population

Twenty years ago, the socialists promised to make Saskatchewan a Mecca for the working man. Instead, we saw the greatest mass exodus of people out of an area since Moses led the Jews out of Egypt more than 3,000 years ago. Each of the other nine provinces which had a "private enterprise" government increased in population by leaps and bounds after 1945. On the other hand, Saskatchewan virtually stood still. Her population increased 12 per cent while the nation's increased 60 per cent. Since the war, 270,000 of our citizens left Saskatchewan to find employment elsewhere.

Socialist Defeat

Finally, two years ago, our people decided they had been the Canadian guinea pig for socialism long enough. They threw the socialists out. The Saskatchewan Liberal Party campaigned on a straight program of private enterprise. We made no extravagant social welfare promises. Instead, we committed ourselves to reduced government spending, reduced taxes, incentive programs for industry, and so on. The people gave us the job of cleaning up the mess.

Lesson

Is there a lesson to be learned from Saskatchewan's experiences? I think there is – a rather horrible lesson.

If there are any Americans who think that socialism is the answer, I wish they would come to Saskatchewan and study what has happened to our province. Twenty years of socialism gave us industrial stagnation, retarded development, oppressive taxation, major depopulation.

At this moment, you are doubtless saying to yourself, "It can't happen here." Yet, people all over the world are finding, "It can."

We know, as you do, that the private enterprise system is not perfect – but it is still the best system devised for progress. Under the system, Americans and

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Canadians have enjoyed the highest living standards in the world. It is our task to prove in the next few years that the private enterprise system can do more for our people than socialism.

I would like to tell you some of the actions we have taken to get Saskatchewan moving again economically.

Timber Board Monopoly Ended, Private Interests at Work

One-third of the land in Saskatchewan is covered by timber. We are told there is sufficient lumber for three or four major pulp mills. During the socialist regime, the government had assumed a complete monopoly in the production of lumber. Producers could not sell a toothpick unless it went through the Timber Board. The new administration has discontinued this monopoly. We are encouraging private enterprise to come into our timber limits. We are providing incentives for them to do so. Already three lumber complexes have moved into our north – employing an average of 250 men each. Four months ago, we persuaded a New York company to invest $65 million in a huge pulp mill, which will employ, when in operation, 3,500 men. We are hopeful that a second mill may also locate in our province within a year.

Minerals

The northern half of Saskatchewan lies in the Pre-Cambrian Shield. When we assumed office, we were concerned by the almost complete lack of new mineral development in our north. By 1964 prospecting in Saskatchewan had almost come to a halt. We found that royalty rates sometimes were out of line with rates applied elsewhere in Canada. We called representatives of the mining industry and discussed the problem with them. From those discussions emerged a new formula for mining incentives. Already, we are seeing results. Prospecting activity throughout the whole north has gone ahead spectacularly. Fifty new companies are doing exploration work in northern Saskatchewan at this time. Three new mines have commenced operations, including a major copper mine at Lac La Ronge.

Potash

Potash is a field which offers tremendous prospects for future development. We believe that potash will do for Saskatchewan what oil has done for the province of Alberta. World demand is increasing at a rate that doubles every 10 years. The overwhelming bulk of this demand will be met by Saskatchewan in the years ahead. At the present time, three potash

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mills are in production. Six additional mills are now under construction. We are negotiating with at least four other potash producers, which are now seriously looking at the potential of Saskatchewan's reserves. Investment and commitments now total more than $500 million. When it is realized that each of these mines costs from $50 to $80 million and employs from 500 to 800 people, you can realize the impetus the industry is giving Saskatchewan.

Oil

Saskatchewan, in 1964, produced 20 per cent of the total Canadian petroleum demand. Rightly, or wrongly, many of the oil people felt that Saskatchewan had not been friendly to the oil industry. We found keen resentment at some of Saskatchewan's rules and regulations. Upon taking office, we found that drilling activity in Saskatchewan was just holding its own with the previous year, and was lagging far behind Alberta's. No new fields had been found for a number of years.

We immediately sought the advice of the industry as to how the situation could be improved. We asked them what we could do to encourage greater development in Saskatchewan. Having received the advice, the government adopted a new major incentive program. The results have been spectacular. Dozens and dozens and dozens of new companies have moved in. Eight new pools were discovered during 1965. Our royalties and bonus bids in the past year reached $40 million as compared to $18 million in the last year of socialist administration. Our opponents have accused us of selling out our resources to big business. But, the oil resources of Saskatchewan are not much use to our people when they are buried a mile underground.

Gas

Saskatchewan is blessed with substantial gas fields. Under the previous government, the Saskatchewan Power Corporation was given a complete monopoly, and paid the producer a price which was substantially below market value. As a result, gas exploration last year came virtually to a halt. The new administration canceled the Power Corporation monopoly and opened the gas industry to competition. Again, the results have been most gratifying. Dozens of gas exploration crews have moved into our province in recent months.

Secondary manufacturing has also made encouraging strides, since the socialists left office. These are only a few of the exciting developments which have

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taken place recently in Saskatchewan. Instead of exporting thousands of our people, as we did year after year under the socialists, this year our population is again headed upward. Our province is one of the booming areas in all Canada.

In short, we think our "experiment in private enterprise" is working.

In our province, we know socialism not from textbooks but from hard, bitter experience. We have found that there is nothing wrong with socialism, except that it doesn't work. I am sure you have heard some people say: "We don't agree with socialism – we wouldn't support it generally – but a little bit of socialism might be all right." We found in Saskatchewan that once it begins to develop, it is pretty hard to stop.

I think we can all be proud of the private enterprise system. But, I also think we must be vigilant. The danger from socialists, far too frequently, is not what they can do directly, but what they can accomplish indirectly.

Far too often we find political parties which pay lip service to the principles of private enterprise but at the same time, for the sake of political expediency, endeavor to neutralize the socialists by adopting large segments of their programs. Such a course can only be disastrous. ◈

DON'T PAMPER THE ROOKIES

JOHN C. SPARKS

THE PERENNIAL COMPLAINT among many of the current younger generation is that adults do not understand them. Perhaps it is really a counter-complaint stemming from criticism by a few of their elders that the younger generation is "going to the dogs."

Whether their complaints are well-founded or not, an erroneous attitude can develop among the youth that could be detrimental to their progress. And this erroneous attitude can be fed and fostered

Mr. Sparks is an executive of an Ohio manufacturing company.

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by oversolicitous adults who attempt to bring about understanding by too much listening and too little teaching. This part of the problem is of concern to me, but not the attempts of youngsters to win understanding from adults by an airing of "grievances."

Imagine the reaction by the veteran major league ballplayers if the season's crop of rookies were to file complaints that they, the rookies, are being misunderstood by the old pros! Or the new tenderfoot Boy Scouts complaining that the first-class scouts do not understand them! Or college freshmen lamenting their "unfair" status before the college board of trustees!

All have this common characteristic: They are the "Johnnies-come-lately." They are "green" in the presence of those who traveled the same road some years before and "learned the ropes" through experience. So it is with the budding adults of the younger generation, just beginning to discover their physical emergence into manhood and womanhood. Their chronological age proclaims this amazing change. There is a headiness about becoming one's own boss as parents gradually relinquish the reins. Only a year or two earlier, father and mother had made almost all the decisions, or at least exercised veto power. Now – a short time later – circumstances have changed. The youth is away from home – attending college or learning on a new job. Without that familiar parental supervision, it is not surprising that he should make some mistakes and commit some embarrassing blunders in his decisions as a tenderfoot in an adult world. And will adults then illogically show excessive sympathy for the whimperings of the inexperienced? Thus, to aid and abet any young adult's prolongation of childhood would be a sad disservice to him.

A young person has to earn the right to be called an adult. He alone can earn such recognition for himself, by acting grown-up in situations calling for self-responsibility and self-reliance. This may be easier to say than to achieve. Deep and abiding self-responsibility does not come from merely wishing it. It can only be gained by learning and building, surely and steadily, on a firm foundation of moral values and principles.

It is here that elders have the responsibility to teach, rather than listen to trivia. As adults, our duty is to usher into the world a younger generation prepared to behave as responsible adults – not irresponsible children. Reasonable patience, yes. But don't pamper the rookies as they reach for maturity! ◈

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RIGHT PREMISE—
WRONG CONCLUSION

LAWRENCE FERTIG

"A DEPRESSION will undoubtedly take place beginning in 1967," declared the speaker, a staunch libertarian who has ably defended the freedom philosophy in public forums. "This is *it*," he asserted. "This nation has engaged in an inflationary spree and now we must pay the piper. A crushing liquidation of debt will take place – a depression."

I had known this distinguished gentleman for several decades. He had made similar statements on many occasions during the past decade. It occurred to me that a public figure could not continue to make predictions of immediate economic disaster which do not materialize – and still retain some vestige of public confidence in his statements. This is especially true of a writer who must state his opinions each week to a large audience of newspaper or magazine readers. The record he makes cannot be erased. There it is in black and white, to be pointed at in the future. The ancients understood this problem, for it is written in the Book of Job, "Oh . . . that mine adversary had written a book"!

The premise of my friend, the speaker, is undoubtedly correct. We *have* had monetary inflation. As a result we have seen the steady upward march of prices. Inflation distorts markets, causes malinvestments, and has many other serious effects on the economy. Inflation robs millions of poor people in favor of others who are fortunate enough to protect themselves. This has been going

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Mr. Fertig, syndicated newspaper columnist on economic affairs, is author of the book, *Prosperity Through Freedom* (Regnery, 1961), available from the Foundation for Economic Education, Irvington, N. Y. $3.95.

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on in the United States for many years, in varying degree.

But although the speaker's premise (that this country has had monetary inflation) is correct, is his conclusion right? Can one logically predict the coming of a crushing depression – soon? That is the first question to be raised.

There is a second, corollary question which believers in the free-market economy must answer. If the prediction of immediate depression is wrong, precisely what is the consequence of continued inflation? For surely it cannot be maintained with any degree of consistency that inflation is bad, but that inflation has no serious consequences.

Giving a correct answer to the above question is vital to every advocate of the freedom philosophy who influences public opinion in any way. Libertarians are always subject to violent attack by modern liberals who eagerly seize upon any excuse to discredit leaders of the freedom movement. Nothing pleases them more than to point the accusing finger and say, "They are prophets of doom. Their predictions are worthless." Unfortunately, some of these accusations are made to sound plausible because there are leaders of the freedom movement who persist in making predictions which turn out to be wrong. Above all, exponents of the freedom philosophy should not appear to have a vested interest in the coming of depression.

In my opinion it is wrong to predict a shattering, economic depression in the immediate future. First of all, forecasting the economic future is not a science. It is really an art. There are too many unknown factors for predictions of the future to be scientific – including the psychology of a hundred million adults, the expectations and actions of millions of businessmen, and political forces which cannot be gauged. So a forecast is really a guess, even though it may be the guess of an informed observer.

Many other guesses about the immediate future – instead of the coming of a depression – could have just as much validity as that of the extremely pessimistic depression forecast. As a matter of fact, if I were to hazard a guess, I would say that the chances are strongly *against* depression beginning this coming year. I shall shortly offer some facts and ideas to support this guess.

Inflation Destroys Freedom

The danger of continued inflation – and there *is* a grave danger – lies in a totally different direction. The danger is not that the price of bread, of milk, of shoes,

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of clothing, and of everything else will plummet downward over a period of many years. What will go down is *not* the paper-dollar price of things. *What will go down is the freedom of the individual. Inflation as a way of life leads to the loss of freedom.*

That is the lesson of history. Inflation leads in the direction of dictatorship. It means reversion to some of the terrors of a by-gone age. It leads to the loss of the most precious possession which man has gained over the centuries — the right to choose freely and to live like a free man.

If this deduction is logical, shouldn't the defenders of the freedom philosophy concentrate on explaining the dangers of inflation in *these* terms rather than by forecasting an unpredictable depression?

Governmental Controls

Evidence is abundant in the United States as well as in every other country in the world that the sure consequence of inflation is loss of freedom. A man's right to earn his living according to the rules of the free market is the most basic of all freedoms. But as soon as monetary inflation causes prices to rise, governments have a tendency to control people's lives. For instance, this is what is happening in Britain today, where wage rises have become illegal for a period of time. To a limited extent it is happening in the United States, although here the Administration tries to enforce "guidelines," which are not spelled out in the law. They are "voluntary" — but everyone knows that they are real controls because they are backed by the coercive power of government agencies. In South America, where inflation has been rapid, wage increases are subject to strict government veto.

Control of prices asked by producers is much more effective than wage controls. Politically, price control is more appealing to any Administration than wage control because there are many more wage-earners than businessmen who vote.

Still more controls are possible, such as restrictions on travel in other countries or investment of one's savings abroad. It is even possible that the mobility of labor will be enforced by government when the effects of monetary inflation make themselves fully evident. This means that some workers might be compelled to move to other cities where labor is scarce. The government might guarantee a man a living, but it need not guarantee where he will earn that living.

It should be remembered that when a government controls a

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man's living, it practically controls his life. This being so, it is plain that the danger to individual freedom is not merely a vague concept. It is a very real danger which affects the everyday life of every citizen.

Deficit Financing

It is curious how the sequence of events leading to the loss of freedom through inflation is similar in practically every country in the world. First the government, through its central bank, creates conditions of easy bank credit. Also, over a period of years government spends more than it takes in, and the resulting Federal deficit is financed by creating more paper money in the banking system. This influx of new money and credit forces prices upward. Having tried to create "prosperity" by monetary inflation, and then finding that prices rise steeply, the government usually claims that it needs controls to curb the price increases which it has caused. It needs controls, it asserts, in order to curb the inflation which it created.

This has been the case in Great Britain. Monetary expansion created conditions whereby wage rates were pushed up at the rate of 9 per cent annually for several years. Prices increased 6 per cent annually. Productivity of industry showed no increase at all. Naturally enough, British goods became less competitive in foreign markets. British consumers used their money to buy foreign goods. So Britain's exports fell, her imports increased, and she created tremendous deficits month by month in her payments to other nations.

Dictators Gain Power

In South America and the Near East there has been *runaway* inflation. Prices increased in some instances as much as 90 per cent a year. Wage increases chased prices upward. Gold and foreign exchange flowed out from their central banks, as in Brazil and Argentina, to other countries of the world. A social and economic crisis loomed. The result? In each case a dictator gained power. Leaders in these countries realized that only a dictator could enforce the measures necessary after the catastrophic results of a hyper-inflationary spree.

In the United States, as I have pointed out, we also have the beginning of controls. In addition to "voluntary" wage and price controls, there are restrictions on investments of corporations abroad and the loans made by American banks abroad. Soon, it has been hinted by Washington officials, there may be more "drastic" re-

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strictions. There may be a curb on individuals traveling abroad, and even tighter control on the economic activities of individuals and corporations in foreign countries.

Furthermore, Washington has hinted that it will convert voluntary into *legal* wage and price controls, to be enforced whenever officials find it necessary. All these present and potential erosions of freedom have come about as a result of inflation created by government policy.

No need to prolong the record. The evidence is clear. Controls, and possibly dictatorship, follow inflation as day follows night. This is the kernel of truth which must be stressed by libertarians.

But now to treat the point about the coming of a depression in 1967. Frankly, I do not think it is reasonable to expect this. Let us define our terms.

Depression Defined, and Current Prospects

A depression, by definition, is a severe downturn in the business cycle which lasts more than two years. It would mean perhaps 10 to 15 million people unemployed, the index of production of factories and mines would fall by about a third. Commercial banks would try to become more liquid and call business and personal loans — the result being the liquidation of $30 to $40 billion of bank deposits. Industrial activity in the United States would slowly grind to a halt.

The very statement of the effects of a deflationary spiral would suggest that no administration could survive it, and the country would be in danger of a social upheaval. Political pressures being what they are, we can assume that the administration in power would take steps to prevent such a cataclysm if it could. It would move to stop the downward spiral and prevent the shattering experience of a deep depression providing it had any power to do so.

Note that we are not discussing here a recession that would carry business down only 5 or 10 per cent. It is ridiculous to think that any government can prevent a cyclical downturn, called a recession. Governments are always late in realizing that the peak of an expansion has been reached and that a readjustment is already taking place. We are discussing a *de*pression — a series of recessions which feed on themselves and carry a country down to the depths.

At this juncture in history I believe the Federal government has the power to prevent economic catastrophe, even though it cannot prevent a recession. Washington possesses vast powers and techniques of manipulation of the

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economy which it never had in the past. These would undoubtedly be used to the limit to prevent the nation going on the rocks.

One powerful economic weapon in the hands of the government is spending for the war in Vietnam. If war in Vietnam continues, or is expanded, it will make demands upon all the economic resources of the country. Depressions never occur in wartime among modern nations. If, on the other hand, there should be peace in Vietnam, Washington has blueprints for turning the Federal spending stream toward domestic uses. It has plans, if you will, for further inflation.

Will Controls Be Used by the Government?

The question in the minds of many is: "Can the government continue to use the weapon of inflation to prevent depression? Does it have the power to turn the depression around by monetary manipulation?" There are reasons for believing that at this particular time it can do so – *providing it is willing to use totalitarian devices to control people's actions.* This is an unhappy prospect. But it is a realistic appraisal of the situation.

It must be remembered that we no longer have an automatically functioning economy. To a great extent, especially in the monetary field, it is a *managed* economy. As a practical matter, we are no longer on the gold standard. When we inflate our currency, gold does not automatically flow out and cause the government to reverse its course. Instead, this government, like every other in the world today, tends to employ strict controls in order to avoid the market consequences of its inflationary actions.

Such controls can be effective in papering over deficiences for a long, long time. In many countries dictators have proved that they can buy time by monetary and market controls. Hjalmar Schacht did it for Germany under Hitler for many years. To be sure, there has to be a day of reckoning. But the point is, that day can be postponed for years.

The theory has been advanced that our government may be powerless to prevent a depression because of international pressure on the dollar. Since no modern nation wants to lose all of its gold, they say, we would be forced to *de*flate. Here again, there is little doubt that the U.S. Government would embargo the shipment of gold in addition to placing controls on the outflow of dollars. In other words, in order to prevent a depression it would, so to speak, erect a Chinese wall around the U.S. All of this would be in violation of our

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stated principles and objectives, but there is little doubt that these measures would be taken.

The history of inflation is that it goes forward three steps and back one. We are now in process of retracing that one step. The fact that authorities in Washington did not wait for signs of runaway inflation, the fact that they moved (albeit slowly) toward curbing monetary expansion before prices began to rise at a steep rate — these are small pieces of evidence that the inflation can still be brought under some control. Thus, it would seem there is a good chance that the present "slowdown" — "leveling off" or "recession," call it what you will — need not necessarily turn into a deep depression.

Whether this conclusion is correct or not remains to be seen. Actually, it is not pertinent to my main argument. The main point is that whether a depression arrives now or ten years from now is unpredictable. What is predictable is that inflation undermines the moral foundations of the country because it robs some to enrich others. It undermines the economic foundations of the country, too. John Maynard Keynes said, "*Lenin is said to have declared that the best way to destroy the capitalist system was to debauch the currency. Lenin was certainly right. The process engages all the hidden forces of economic law on the side of destruction, and does it in a manner which one man in a million is able to diagnose.*"

What *is* predictable, beyond doubt, is that inflation leads to more and more government controls and to less of the individual's precious freedom. *This* is the nexus that must be stressed by advocates of the freedom philosophy — not the coming of a depression tomorrow or next year. ◈

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IDEAS ON LIBERTY

Character

THE SOLID FOUNDATIONS of liberty must rest upon individual character; which is also the only sure guaranty for social security and national progress. John Stuart Mill truly observes that "even despotism does not produce its worst effects so long as individuality exists under it; and whatever crushes individuality is despotism, by whatever name it be called."

SAMUEL SMILES, *Self-Help* (1859)

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Can Food Supply Keep Pace With Population Growth?

KARL BRANDT

MANY PRACTICAL, logical, ethical, and moral arguments can legitimately be advanced in support of more responsible use of man's power of procreation through planned parenthood by voluntary individual decision. However, I reject as illegitimate and invalid the argument that the accelerating pace of population growth is overtaking the rate of growth of food production and that therefore disastrous famine of abhorrent proportions is almost inevitable unless population growth is throttled.

As I shall prove, the famine projections are neither a sound nor a legitimate argument for population control because the world's existing agricultural capacity gives abundant leeway to produce adequate food supplies for the growing population. Therefore, using famine alarm to justify support of government action toward birth control can only weaken the initiative to promote recognition of the importance of responsible parenthood.

I also believe that even if worldwide famine were, indeed, an otherwise inescapable imminent calamity, it could not be avoided by planned parenthood because this complex cultural change in mores and modes of living does not lend itself to successful progress by a crash program but requires, on the contrary, a steady long pull.

Furthermore, by offering the false hope of quick relief of al-

This article is from a statement presented by Dr. Karl Brandt, Senior Research Fellow, Hoover Institution on War, Revolution, and Peace, Stanford University, at the Fiftieth Anniversary Conference on Planned Parenthood and World Population on October 18, 1966 at the Roosevelt Hotel in New York City.

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legedly imminent food shortage through a planned parenthood crash program, this argument evades the real issue. All governments have the duty to adopt and administer policies which give farmers the freedom and incentive to expand food production. If governments of developing countries accept such responsibility, they will accomplish what planned parenthood cannot do.

Finally, global generalization about the extremely diverse dynamics of food supplies distorts the facts. In recent years some of the most densely populated areas of the world have increased food production beyond all expectations and against the worst odds.

The judgment that famine is unavoidable is demonstrably false – so far as the availability of all needed resources and the feasibility of their use are concerned. The Director General of the FAO, B. R. Sen, and all agricultural experts agree on this.

Food Potential Unlimited

Since the end of World War II the world's technically and economically feasible food *production potential* has expanded at more than geometrical rate. This is the result of a combination of factors which Malthus, Ricardo, Justus von Liebig, Marx, Engels, Lenin, Gregor Mendel, Alfred Marshall, Pigou, Walras, Keynes, Henry Wallace, or even Lord Orr in 1944, could not have anticipated.

In spite of disastrously false projections of the 1930's and 40's, what has ultimately expanded the growth of the world's food production capacity beyond all boundaries is the most recent emergence of overabundant sources of energy like water, wind, or tidal power, coal, lignite, petroleum, oilshale, natural gas, uranium, plutonium. Combined with diminishing costs of pipeline transportation of minerals, liquids, and gases across whole continents, this overabundance has made energy in any desired quantity available anywhere in the world – in remote agricultural regions as well as metropolitan areas – at declining costs.

Overabundance of energy has opened the gates to replace human and animal power by mechanical power – in horticulture, livestock farming, orcharding, grazing, fisheries, and forestry. The replacement of beasts of burden and draft animals sets free for food production the land needed to feed them. (One working horse consumes the food of 8 to 12 people.)

Agriculture is the world's greatest transport industry. It moves implements up to 35 times a year over every square foot of 350 million acres in the U.S. The combustion engine, particularly the Diesel

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engine, made tractors, trucks, and automobiles available to farms. But the development of smaller and smaller 2-cycle engines and the availability of liquid fuel at declining costs has given small farmers motor scooters, motor tricycles, small trucks, and rototillers, multiplying the productivity of farm labor.

Abundance of Nitrogen

Overabundance of energy has made the most crucial and scarcest of all plant and animal nutrients, *nitrogen*, potentially abundant everywhere in the world at declining costs. One ton of pure N mined from the air requires the energy equivalent of 4 to 5 tons of bituminous coal. Used properly as fertilizer for crops *one ton of pure N* will yield from 15 to 20 tons of grain equivalent, provided the necessary moisture is or can be made seasonally available or its excess drained off. Farmers can mine nitrogen from the air by leguminous green manure plants. Factories can mine nitrogen fertilizer wherever energy is available in any form. Such fertilizer factories are increasing in number. Where they are missing, international and national farm supply trade will bring nitrogen fertilizer to farmers at even lower prices.

Moisture, another crop production factor in seasonally or annually limited supply, has now also become available in many areas at declining costs by the new abundance of energy, by little 2-cycle engine-driven irrigation pumps, and aluminum sprinkler pipes. Since they are mutually interdependent, less expensive and abundant plant nutrients and irrigation water are jacking up the population-carrying potential of land. The same small pump and pipe units drain swamps and open wet land in humid climates to intensive cultivation.

While decreasing costs of nitrogen and of irrigation water make it a paying proposition to increase the yields of crops, the petrochemical industries also provide powerful means to curtail the high losses of food in the field and in storage. Highly effective weedkillers eliminate brush and a flora of voracious thieves of precious plant nutrients and moisture. Pesticides destroy predators, wild ruminants, birds, rats, mice, and other rodents, and control insect pests and bacterial or fungus diseases.

The overabundance of energy, the automation of loading and unloading of food commodities in bulk, the increased size of ocean-going vessels, the perfection of storing staples and preserving perishables have revolutionized the mobility of agricultural produc-

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tion factors, as well as of agricultural products. Hence the international exchange of farm needs, such as engine fuel, fertilizer, feed, pesticides, machinery and implements, and of farm products involves less time and less cost per unit than ever before – unless governments prevent their citizens from benefiting from this.

Knowledge about the entire up-to-date technology of food production, processing, and distribution is available in any part of the world, free of charge wherever nations are willing to get and use it. Moreover, nearly all countries have within their own boundaries modern, up-to-date, large-scale agricultural enterprises which are geared to the domestic as well as the world market.

Needed: Freedom to Improve

Irrespective of its degree of literacy, the agricultural population of technically retarded countries is capable of applying better techniques wherever the market grants it freedom to improve. If new production factors become available at remunerative prices and if prices of farm products offer an incentive, farm people will increase production, provided there is a reasonable degree of security and stability of income and savings.

If famine should occur, neither scarcity of natural or man-made resources nor the rate of population growth offer valid excuses. Even natural calamities like drought, floods, or pests do not necessarily cause famine in any properly organized society.

If famine should occur in some countries – as it well may – it will be primarily "government made" by policies similar to those that initially resulted in the starvation of 5 million people and have prevented for nearly 40 years any proper expansion of food production in Soviet Russia and have cost uncounted millions of lives in Red China. Such policies squeeze a major part of the capital for industrialization out of farm income by the wide-open scissors of high prices for all manufactured goods and low prices for farm products.

In too many agrarian countries, radical industrial protectionism exploits farmers by raising to prohibitive levels the prices of farmers' needs (including high-grade seed, fertilizer, pesticides, fuel, machinery, and spare parts) and by fixing food prices in industrial cities at the expense of the farmers for political rather than economic reasons. (The Japanese farmer buys 1 pound of nitrogen fertilizer with 1⅓ pounds of rice. A farmer in India who wants to buy it has to pay the outrageous price of 5 pounds of rice.) The

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government's discrimination against private suppliers of production credit and the trade in farm commodities stymies farm production by bureaucratic red tape. Currency inflation caused by reckless public deficit spending creates additional insecurity and dries up investment capital for agriculture, while leaving no funds for commercial imports to close the widening food deficit.

Policies prone to contribute to "government-made famine" in many countries also include incessant propaganda for *"agrarian reform"* with neither a definition of precise measures to be taken nor a time table for the beginning and end of such "reform." The general assumption of the wealthy and the poor alike that it will amount to confiscation of property in land and farm inventories destroys confidence in any capital investment in agriculture. The threat of agrarian reform creates such insecurity that all parties concerned convert their assets into liquid form. The result is general capital flight from agriculture, which inevitably further diminishes farm production.

Curbing Population May Also Interfere with Production

Many Latin American and African countries have enormous unused land resources for food, feed, and fibers, and their development will require more farm people. It makes no sense to generalize and say that population growth must be stopped.

The warm heart of the American people endorses enormous gifts of food to countries like India, where 83 per cent of the people – or 400 million – live as farmers or craftsmen in villages. But, most regrettably, such generosity has the detrimental effect of contributing unwittingly to the prospect of real famine there while weakening the U.S. dollar. Such gifts allow the Indian government further leeway to continue ill-advised policies which suffocate in bureaucratic red tape the initiative of their farmers, their wholesale and retail food trade, and their auxiliary farm supply trade. Those absentee bureaucracies at federal and state levels sit tight on an enormously long end of the seesaw. The order of magnitude of food deficits they continue to create is so enormous that with all charity and foreign aid we and the other industrial nations cannot possibly compensate for them.

If we really want to prevent famine, we had better use a cool head in dealing with governments that press us for food relief – and assume a hard trading stance on behalf of their majority of farm people. The American people have

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a keen interest in getting valid assurances that "birth control" is applied effectively to mice, rats, birds, locusts, and a score of other pests and that they are not permitted to devour the indigenous food faster than American "Food for Peace" can be shipped in at very high expense. Beyond that we should use our warm hearts when, by privately administered charity, we can reach the invalid, the sick, the orphans, and the hungriest among the poor. ◈

THE CASE OF THE *Bulletin Board*

GORDON B. BLEIL

FAITH, like success, thrives on those real experiences which confirm and reinforce the belief. As an instructor of Economics to an evening adult class, I have constantly sought examples to confirm my faith in the free market – examples in which the students could participate. The ordinary bulletin board provided an almost perfect study of a free market contrasted with a controlled market.

Most of the supermarkets in this part of the world (California) – and I suppose almost everywhere – have bulletin boards for the convenience of their shoppers. Here, willing buyers and willing sellers meet in a unique market place. My wife and I have sold a boat, bought a cat, rented a garage, and located domestic help in this market. Most of my students had similar experiences, and all of them admitted to habitual shopping at the bulletin board market. We concluded that the bulletin boards were interesting, convenient, and effective. None of us had ever seen an offensive word or an impropriety of any kind. The sellers were often ingenious and imaginative in attracting attention, and somehow they managed to restore their messages if they were covered over by newer ones. Mysteriously, the notices disappeared when the sales were consummated. (When I went to rent the garage, I took the notice with me!)

This seemed to me to be an ex-

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ample of a really free market in operation – and I wondered how free it had to be to function. Some inquiry revealed that indeed a few of the stores required the manager's approval for posting, or dating, so that old notices could be cleaned off periodically; but, by and large, *rules* as such were casual, flexible, and devoted to some nebulous standard of propriety, imprecise as it might be. It is clear that whatever rules of conduct were imposed on the participants, they were not so onerous as to restrict the market, but were practical enough to enhance its functioning.

Shortly after I had come to appreciate this unusual bulletin board market place, the company for which I work – and for which about one-half of my students worked – installed a bulletin board at one of the entrances to our cafeteria. An ideal spot, one would conclude, as hundreds of prospects flow past the point daily. However, after several months it was still virtually unused. At the close of class one evening, I asked the students to figure out – as homework – and report why the company bulletin board had not succeeded.

The students found the answer in the *Official Rules of the Bulletin Board,* conspicuously posted and appropriately signed by "an authority." "This bulletin board," it said, "is for your convenience. All notices will be submitted to Department X for approval." Special cards had been printed and Department X prepared all entries so they would be "uniform" and "proper."

Benevolent control of the market place had imposed so much authority on it that it ceased to function. It lost its appeal as a free market and was not able to attract willing sellers and willing buyers.

The class had made an important discovery. The Controller of the Bulletin Board was apparently less successful in discerning the reason for the failure of his market place, for a few weeks later another bulletin board was installed at the other entrance to the cafeteria. It, too, carries the "Rules" – and has been no more successful than the first.

I have wondered about the width of the line that divides an absolutely free market place without any rules from the point where the market essentially ceases to function. When does control become stifling? The answer, of course, does not exist. But when I see a bulletin board, I am reminded of the hazards of control, however well-intended they might be. My faith remains with the free market. ◈

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CONTROLLING HCL

W. A. PATON

No, this piece doesn't deal with the High Cost of Living, at least not directly. I am concerned here with a less familiar and important HCl, hydrochloric acid.

A few months ago, while doing a bit of traveling, I developed a troublesome canker – "a corroding and sloughing ulcer," often called "canker of the mouth." This is a difficulty that has bothered me from time to time for some seventy-five years, but I long ago learned how to deal with it effectively. The remedy: drench a compact dab of cotton with a 10 per cent solution of HCl and apply same to the canker spot, being careful to avoid contact with other membrane areas or the teeth. One application, for a few seconds, is usually sufficient to effect a complete cure. Preferably, of course, the treatment should be applied early.

This time, not having my HCl bottle with me, I carelessly let the canker grow substantially before taking action. Finally, prodded by the soreness, I went to the drug department of a big chain store, in the capital city of an important state, and asked for an ounce of 10 per cent HCl. To my astonishment and disgust I was not allowed to make the purchase, even after seeing and talking to the chief pharmacist. The gentleman explained that I would have to present a doctor's prescription be-

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fore he could sell me an ounce, or any other quantity, of dilute hydrochloric. He also explained that his refusal to serve me was required by *Federal regulation*, not by any local or state statute or ruling. He added that he recently had been plagued by a "government snooper" and didn't propose to take any chances – even to accommodate a white-haired and harmless-appearing out-of-stater.

Was there ever anything more ridiculous? It would be no more absurd to require a prescription in order to buy a can of shoe polish, or a container of "Soaky" for my granddaughter's bath, or any of a hundred other commonplace products of everyday use. Doubtless, some I don't know about are on the restricted list.

And what do you think I had to do to get around this senseless effort to interfere in my personal affairs, to limit my freedom of action in my own private realm? I didn't want to take time to hunt a doctor, and I had a strong urge not to knuckle under. A couple of blocks down the street I found a builders' supply store, well stocked with muriatic acid. The proprietor wanted to sell me a full carboy of the stuff but I persuaded him to let me have a much smaller amount – a pint (enough to last me for a couple of centuries). As everyone knows, "muriatic" and hydrochloric acid are the same thing, although commercial muriatic may be somewhat less pure than the HCl of the drug stores.

Here is truly a kettle of fish! I can't buy an ounce of 10 per cent hydrochloric acid without a prescription, but I can go down the street a block or two and buy gallons of the same thing, but several times as strong, without any interference. This is – for me – a fresh example of the foolish rulings by government agencies that are increasingly encountered on every hand.

More Harm than Good

Years ago I heard Professor Ludwig von Mises, an outstanding, if not the greatest, living economist-philosopher, suggest that the Federal "Food and Drug" control program had probably done more harm than good. At the time – still under the spell of the assumption that government inspection had helped to clean up the meat business – I was inclined to question the Professor's position; but long before my HCl experience I had become sympathetic with his pessimistic view of the impact of this government activity.

For some time the Food and Drug people have been feeling their oats, becoming noticeably more tyrannical, and at least a few of us have been disturbed by this

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development. Among the publicized activities that have impressed me unfavorably was the fuss made a while back when two women out my way died of botulism, including the closing for months of a West Coast cannery employing 800 people. In my state about 300 persons perished by drowning in the first nine months of 1966, and in my county alone during the same period 50 persons were killed on the highways and many hundreds injured; but no one has proposed closing our lakes and rivers to boating and swimming, and there has been no curtailment to date of motor vehicle traffic. A case of fatal food poisoning is unfortunate, but let's not lose our heads completely over a very minor disaster in the face of much more serious problems. And it might be a blessing if our regulators would leave more of the control job to the discipline of the keenly competitive production standards and marketing methods prevailing in the food and drug fields.

I understand that a mass of new requirements and rules have been drafted by Food and Drug, to go into effect at an early date; and I note that this proposed increment to the heavy burden of existing controls and interferences is viewed with alarm and actively opposed by some pharmaceutical manufacturers and freedom-loving consumer groups. More power to them!

One Interference Begins an Endless Chain of Others

Advocates of the merits of a free-market economy have often pointed out that any interference with the intricate market mechanism and the consumers' wishes leads to other interferences, in an almost endless chain, if the initial requirement or restriction is to be made completely effective. This tendency may be illustrated by reference to the regulation that makes it unlawful for me to buy a spoonful of dilute HCl at a drug store without a doctor's prescription. Obviously, to fully implement this rule, the sale of the same product under another name should be restricted. Moreover, this step would still leave open the possibility that an especially obstinate consumer might acquire some common salt and sulphuric acid, and the necessary materials to construct a small facility for making hydrochloric acid ("spirits of salt"), for his own – and perhaps others' – use. To block such an endeavor the government must step in again with special controls which will cut off the supply of salt and sulphuric acid, both staple products, from the recalcitrant; and perhaps also institute restric-

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tions which will deny him the opportunity to acquire the pans, brick, and other materials needed to construct a suitable acid-making still.

Invitation to Lawlessness

Experience shows that there are two main directions in which ordinary folks are affected by having their freedom to assume responsibility and make choices curtailed or destroyed by government. One is an increased leaning toward lawlessness, a growing disrespect for all restraints, rules, and regulations imposed by the state, at all levels. In the case of the mine-run citizen inclined to be law-abiding, this rebellious attitude develops as he contemplates the verbotens and controls that have no moral significance, do not conform to his basic concepts of justice and equity, and perhaps fly in the face of what he regards as plain common sense. For example, you can scarcely expect Joe Doakes to have much sympathy for a law or ruling that makes it illegal for a farmer to grow wheat on his own land to feed his own chickens, and subjects the violator to penalties more severe, very likely, than those ordinarily applied to persons found guilty of purse snatching. (A long-standing example, world wide, is found in the tolerant view of smuggling. To many, the professional smuggler is more of a hero than a criminal, unless he indulges unnecessarily in violence and deals in wares that are highly objectionable; and apparently few of those who travel abroad feel that it is a sin to get the better of "Customs.")

Today the array of such legalized but obnoxious interventions, in virtually all lines of activity, including personal affairs, is almost unbelievably lengthy; and there is literally no possibility of behaving in such a way as to avoid all taint of being lawless. This state of affairs was repeatedly noted – and criticized – a decade ago by a retiring member of the Federal Trade Commission; and the point has increased validity now, in view of the mass of additional legislation and the growth of bureaucracy, in areas old and new, to which we have been subjected in recent years.

It is not a very long step from annoyance with laws and rules encountered which appear to trespass beyond constitutional and traditional limits to a willingness to violate the "rule of law" generally. This is especially true of persons with a relatively low threshold when it comes to urges to ignore restraints. Just as attempts by government to fix prices always bring black markets, so do inroads on inherent rights in

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other areas bring resistance and loss of respect for law. Most people – to give another example – feel that they have a right to rent or sell their own land or buildings to someone of their own choosing; and when government at any level outlaws this right, many will not comply if they can find a way around the law without going to jail. Resentment regarding a particular ruling readily crystallizes into continuing antagonism, and when the institution of government finally becomes an enemy, in the individual's view, he is well on the way to habitual lawbreaking at every opportunity.

Apathetic Acceptance and Learning to Live with It

The second kind of attitude that may develop or be fortified by increasing encroachment of government power on the domain of the individual citizen is one of apathetic acquiescence, supine acceptance of a dependent status. This result of expanding government, for the long pull, is likely to be more widespread than increased rebellion and lawlessness. Even persons endowed with a dash of spunk tend to be baffled when it comes to finding ways and means of resisting the pressures of legislative and administrative requirements and restrictions imposed by a complex central government. And the many who have a wide streak of dependence in their make-ups find it relatively easy to let Big Brother take charge.

I believe a general observation is warranted with respect to prevailing opinions as to the relative merits and disadvantages of government operation and private business. We all know, at least at the subconscious level, that when a government monopoly provides postal service, water, or any other product, the consumer is seldom if ever consulted about anything and usually gets nowhere by complaining. Hence, we learn to accept, without much criticism or challenge, the level of performance by government enterprise with which we are familiar.

We all also know, at least in the backs of our minds, that in making purchases on the competitive market our desires and complaints are usually promptly and carefully considered and often result in changes, and that if we continue to be dissatisfied with the job done by a particular producer, we can turn to one of his competitors with the assurance that we will be welcome customers. What is often lacking, however, is clear recognition of these differences. We are not always actively aware of the limitations of government service, or of the blessings afforded by a competitive market.

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Roadblock to Progress

On second thought, perhaps my HCl story does have a slight bearing on the High Cost of Living. If the phrase "cost of living" means anything specific from a group or community standpoint, it presumably refers to the volume or level of per-capita consumption of economic goods, including services. This volume, of course, depends on the per-capita accomplishment of those who are engaged in the production and distribution processes throughout the economic pipeline. It follows that any development that impairs or discourages efficiency in the employment of human energy, as well as in the use of available physical resources, will have an adverse influence on output and hence on consumption per person.

I submit that the massive and growing weight of government intervention, penetrating nowadays into almost every nook and cranny of our affairs, is a substantial roadblock in the way of getting worth-while things done. If the citizen decides to resist one or more interferences, he will use up a lot of time and energy studying the problem and trying to find a safe way around the roadblock. If he decides to comply, he still will consume much time and energy trying to find out just what the legal requirements are and what procedures must be followed in the process of conforming. A combination of maximum practicable resistance plus minimum compliance will be no less burdensome.

The brunt of this ever-changing and waxing control program falls on business managements, including their lawyers, accountants, engineers, chemists, and other expert professional advisers; and at a top management meeting these days it is often necessary to devote so much time to relations with government (including tax matters) that only cursory attention can be given to the technical problems of operation.

The crucial fact is that talent, such as that required in executive and professional activities, is currently a scarce article. (Despite views to the contrary, the U.S. population includes a lot of folks with very ordinary native abilities and potential.) The acute shortage of high-grade personnel is evidenced by the intensity of the recruiting efforts on college campuses by accounting firms, business corporations, and other employers of people of managerial and professional caliber, and the starting salary scales prevailing ($750 to $1,000 per month) for promising graduates from the technical programs.

An important element of the demand side of this active market

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for talent is of course rooted in the pressures of government interferences and controls, and if these pressures were removed or substantially abated, a host of able persons would become available for the basic tasks of innovation, improvement of methods, and general development of the economy. In other words, we are using up, frittering away, a major part of one of our important resources—talented people – in trying to live with our governmental colossus and its crews of cockalorums.

There are many other wastes in our system, and by no means all of them may be laid at government's door; but the wheel-spinning to which many of our most able people are currently committed, in trying to make headway in a web of governmental interventions, is one of the most discouraging aspects of the "mixed" economy in which we are now living.

Almost every day I see a newspaper report of a grant by some foundation of several hundred thousand dollars to support a "research" project that strikes me as trivial or silly. I wish one of these organizations would encourage some group of capable accountants and statisticians to launch a study of the cost of governmental intervention in the economic processes, including the direct costs incurred by the government agencies so engaged as well as the costs of compliance (and resistance) incurred by private businesses. ◈

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IDEAS ON LIBERTY

Controls Affect People

A POINT which the well-intentioned advocates of more Government "protection" for the buyers of goods and services seem to miss entirely is that controls do not affect things. Controls affect people – the very people they are intended to "help." As Government controls wax, personal freedoms wane. When the Government proposes, for example, that packaging be standardized, the result is that the controls will be on people. Business people will be deprived of much of their freedom and incentive to innovate. But more important, there will be an unwarranted diminution of free choice for all our people – the very consumers such additional regulation is intended to help. . . .

C. W. COOK, President, General Foods Corporation,
1966 annual meeting of stockholders

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MAIL DESTRUCTION PROPOSED TO EASE CHICAGO POSTAL JAM

THUS the *Los Angeles Times* of October 15, 1966, headlined news of a proposal by a trouble shooter for the Postmaster General to destroy large amounts of third class mail to relieve a critical jam in the Chicago Post Office.

This solution had been recommended by Deputy Assistant Postmaster General for transportation, William Hartigan, head of a team sent from Washington to solve the enormous backlog problem involving 113,000 sacks of third class mail, 5,600 sacks of parcel post, and 9,600 sacks of second class mail.

Heads of postal substations in Chicago were asked to set aside outdated third class mail and telephone senders for permission to destroy it. Hartigan said no mail would be destroyed without the sender's permission. Postage refunds involved in such cases, he said, would cost less than sorting the mail.

Similar postal jams are reported in many other areas, and, at least in some cases, the delivery of first class mail has been adversely affected.

THE NEW EC

SOCIETY during the past few decades has come more and more under the spell of what is sometimes known as the "new economics."

This reversion to historic mercantilism tends to ignore or reject free market economics. It emphasizes government ownership and control of capital, production, prices, wages, exchange.

The only industry in the United States that is nationalized, that is, the one in which the new economics attains its fullest realization, is mail delivery.

Capital is acquired not by voluntary but by coercive and, thus, noncompetitive means: taxation.

Pricing of services is arrived at not by supply and demand but by bureaucratic determination. A sealed, personal message is "first-class"; the price by land is 5¢ per ounce and by air 8¢. The rate is the same whether the delivery is across the street or across the nation. Competition for this potentially profitable class of service is outlawed.

Some classes of mail, "library materials," for instance, will be delivered anywhere in the country

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for as little as 1/15 of a cent per ounce. Other classes call for other rates, but generally far below cost. Beyond this is the franked and other mail that goes "free." And the clamor of the mail-order houses and other beneficiaries, through powerful Washington lobbies, always is for more service and bigger subsidies. This, of course, precludes effective competition in mail delivery.

The employees of this postal service – nearly 600,000 of them – are largely unionized, which means that wages and hours of work are fixed arbitrarily rather than by competition.

How is the new economics working in practice? The postal deficit gets larger each year, currently running about $1 billion. The service gets worse, not better. On occasion, delivery is so long delayed that it becomes expedient to destroy the out-dated parcels.

Why is the new economics inefficient in practice? No one bureaucrat-in-charge knows any more how to deliver mail than any one person knows how to make a jet, an auto, a pencil.

The remedy? Let anyone deliver mail – without subsidy! Rely on the market as we do with the delivery of groceries, or drugs, or the human voice, or people.

If the new economics as applied to mail delivery is disturbing, wait till medicare runs its full course. What are we going to do with the "third-class" patients who will be backed up in long queues awaiting medical attention? Destroy them?

The free market, willing exchange, voluntary economy creates no such problems of artificial shortage or surplus. Supply and demand, manifested in thousands and thousands of daily choices and transactions, are always moving toward balance and equilibrium.

Monopolists – government or private – are self-serving. Competitors, on the other hand, are impelled by their own interest to serve consumers as they serve themselves. When one competitor can't handle the business, others will. Why not let mail delivery be handled by the market, as is freight? We never hear of these carriers destroying jam-ups. They deliver, not destroy. ◈

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Bureaucratic Blight

WILLIAM HENRY CHAMBERLIN

ALEXIS DE TOCQUEVILLE, brilliant French political scientist of the nineteenth century, was equally skilled in drawing lessons from the past and foreseeing the shape of the future. He is able to compress all the tragic frustration of the French Revolution, which began with cries of "Liberty" and ended with Napoleon's military despotism, in a single incisive sentence:

"The last generation in France showed how a people might organize a stupendous tyranny in the community, at the very time when they were baffling the authority of the nobles and braving the power of all kings – at once teaching the world the way to win freedom, and the way to lose it."

And here is one of Tocqueville's visions that is turning into a nightmare before our eyes, the anticipation of the welfare state, managed by faceless bureaucrats:

"Above this race of men stands an immense and tutelary power, which takes upon itself alone to secure their gratifications and to watch over their fate. That power is absolute, minute, regular, provident, and mild. It would be like the authority of a parent, if, like that authority, its object was to prepare men for manhood; but it seeks on the contrary to keep them in perpetual childhood: it is well content that the people should rejoice, provided they think of nothing but rejoicing. For their happiness such a government will-

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ingly labors, but it chooses to be the sole agent and only arbiter of that happiness: it provides for their security, foresees and supplies their necessities, facilitates their pleasures, manages their principal concerns, directs their industry, regulates the descent of property, and subdivides their inheritances – what remains, but to spare them all the care of thinking and all the trouble of living? . . . .

"The will of man is not shattered, but softened, bent, and guided: men are seldom forced by it to act, but they are constantly restrained from acting: such a power does not destroy, but it prevents existence; it does not tyrannize, but it compresses, enervates, extinguishes, and stupefies a people, till each nation is reduced to be nothing better than a flock of timid and industrious animals, of which the government is the shepherd.

"I have always thought that servitude of the regular, quiet, and gentle kind which I have just described, might be combined more easily than is commonly believed with some of the outward forms of freedom; and that it might even establish itself under the wing of the sovereignty of the people."

This was written more than 130 years ago, but it sounds amazingly applicable to the steady supplanting of the individual by the state bureaucrat – one of the ominous symptoms of the disease that is eating at the vitals of those societies in North America and Western Europe which have escaped the ravages of communism. This disease may properly be called bureaucratic blight.

Signs of Decay

To listen to the hosannas from "liberal" circles whenever some new government appropriation takes billions of dollars out of the pockets of private taxpayers for some new state project employing thousands or tens of thousands or hundreds of thousands of government functionaries, it might be imagined that a welfare state, run by bureaucrats, was the last word in human happiness and well-being. But the lessons of history point clearly in an opposite direction. The proliferation of bureaucrats and its invariable accompaniment, much heavier tax levies on the productive part of the population, are the recognizable signs, not of a great, but of a decaying society.

Historians know that both phenomena were especially marked in the declining eras of the Roman Empire in the West and of its successor state, the Eastern or Byzantine Empire. Bureaucrats are an expensive breed, in two ways. They are maintained at public ex-

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pense and they are uncommonly fertile in thinking up schemes to spend more public funds and multiply their number.

Sparsely Staffed

Not the least important factor in the successful growth and development of the American Republic was its noteworthy sparingness in staffing state agencies and in founding bureaucratic empires for the production of various kinds of red tape. The early spirit of distrust of an entrenched bureaucracy is exemplified by the provision that citizens of the city of Washington – a large proportion of whom, it was foreseen, would be government employees – should not possess the right to vote.

Or consider the contrast in the diplomatic service between the present time and the periods of the Revolutionary War and the Civil War, which certainly posed equally serious problems for American statecraft. Every embassy in a large capital now numbers its employees in the hundreds, while the builders employed by the State Department in Washington are hard pressed to add new offices for the hordes of officials who write memoranda to each other and to their opposite numbers in other branches of the government and fulfill Parkinson's Law in many ways.

But when America's independence hung in the balance and depended in considerable degree on the three United States Commissioners, Benjamin Franklin, John Adams, and John Jay, stationed in Paris, these men had no huge staffs of supposedly expert advisers to call on. For one thing, the young Republic was chronically short of sound money and was sometimes hard put to it to maintain the Commissioners themselves, to say nothing of a host of secretaries and attachés. Franklin, Adams, and Jay were obliged to practice "do-it-yourself" diplomacy. And the results, for amateurs, were surprisingly good. The American diplomats chose just the right moment, when England was prepared to make maximum concessions, to disengage themselves gently but firmly from the protective embrace of France, which was pursuing some aims not altogether compatible with American interests.

Charles Francis Adams, American Minister to Great Britain at the time of the Civil War, faced an equally severe challenge. It was of primary importance to the government in Washington to keep Britain, where upperclass sentiment was generally sympathetic with the South, from intervening in the war by granting recognition to the Confederacy. As helpers in

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this very difficult assignment – which today would doubtless have engaged the services of a regiment of propagandists, publicity men, and assorted image makers – Adams had his son Henry, who gives a vivid picture of the experience in his *Education,* and one government clerk. But, measured by success, Adams passed his test admirably.

In fact, it would be difficult to name in this age, when diplomacy at home and abroad can call on the services of a small army of professional agents, any two such victories in foreign affairs as were achieved by Franklin, Adams, and Jay, on their own, in Paris and by Charles Francis Adams, pretty much on his own in London. This is a striking example of the truth that quantity and quality do not always go together.

The Spending Spree

During the past two years the United States has been spending money for so-called welfare ends like the traditional sailor in port and on a binge. In the first 174 years of its existence the United States Congress voted $5.8 billion in Federal funds for education; the sum appropriated in 1965-66 alone for this purpose was $9.6 billion. There is a similar picture in health. The first 88 Congresses spent $10 billion for health purposes; the 89th nearly matched this figure with $8.2 billion in direct spending and in Medicare, which reaches into the pockets of the majority of Americans with Social Security cards.

Countless billions are going down the drain of the futile anti-poverty campaign, a swampland of bureaucracy, waste, and favors to deserving politicians. The futility of all this well-advertised motion is rooted in the fact that the only reasonable prospect of eliminating or alleviating poverty (a highly relative and debatable term) is to make people willing and eager to work. This is not likely to happen under a policy of extravagant welfare payments (a positive incentive to the lazy and incompetent not to take jobs), ever rising minimum wage laws (the surest possible means of creating more unemployment, especially among younger people whose employers are required to pay more than they are economically worth), and a vast multiplication of paper projects by the enormous self-proliferating bureaucracy in Washington.

The same Chief Executive who makes a show of economy by carefully snapping off light bulbs in the White House urges a reluctant Congress to spend another $1.2 billion for a highly expendable "cities demonstration bill," in-

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spired apparently by the exploded fallacy that slums make people, instead of people making slums.

At Our Own Expense

Now all these multiple billion dollars of appropriations are not and cannot be manufactured by the government out of thin air or picked off some magic tree. They are your dollars, and mine, and the fellow's who lives next door. No fallacy is older, more harmful, and more stubbornly held than the belief that a government can give its citizens something for nothing.

The squandering spree of the past two years, which has gone far to turn the United States into a bureaucrat's paradise (what the bureaucrat loves, next to delaying, frustrating, tormenting, and harassing the unfortunate citizen who must deal with him, is spending money he never earned himself) must be paid for in one of two ways. Either there must be higher levies on individual income, or this income will be steadily diminished by the inflation that is the inevitable result of a government policy of living beyond its means.

A person who is even slightly known is likely to receive an average of at least one appeal a day for funds for more or less worthy causes. Most of these go into convenient wastebaskets; for only an individual with the legendary wealth of Croesus could keep up with the unending flow of appeals for sharecroppers, competing "civil rights" organizations, Spanish and other refugees, delinquent youth camps, birds, dogs, cats, and heaven knows what else besides. But the individual cannot, without disastrous consequences, tear up the orders to pay up taxes from Federal, state, and local authorities; nor is there any means by which he can prevent the dollar he may have saved from growing smaller and smaller, in terms of purchasing power.

There would be a tremendous gain for realism and fiscal sanity if every individual citizen could understand that every additional billion dollars of Federal expenditure comes out of his personal pocketbook. If this simple truth were understood, prodigal Administrations and prodigal congressmen would encounter a suitable reaction at the polls.

And Loss of Liberty

It is not only the pocketbook of the ordinary working citizen that is injured by spendthrift welfare programs; it is something more important: his liberty. The following equation invariably works out: huge Federal spending, now taking at least one-fifth of the Gross National Product, equals

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more centralization of power in Washington equals less opportunity for solving local problems at the grassroots level.

Think of the possibilities for Harold Howe II, Federal Commissioner of Education, who during the last two years has had almost ten billion dollars to play around with. This is an enormous means of leverage and pressure on local school boards and Mr. Howe has not been sparing in the use of it, especially in forcing certain so-called guidelines for integration on Southern school boards. Of these guidelines a representative Southern newspaper, the Charleston *News and Courier*, writes editorially as follows:

"From trustworthy sources we learn they go far beyond statutory law and decisions of the courts in robbing local school boards of their authority. Unless somebody puts a stop to this usurpation of authority, harm to the public school system may be irreparable. One of the sinister aspects of the guidelines, we have been told, is that the hardest pressure comes verbally – either in visits from government agents or in hard-nosed orders over the telephone – rather than in written directives."

Judging from the bitter complaints of some Southern congressmen, Mr. Howe has been inclined to act not as a Commissioner of Education but as a Commissar for Integration. There is a world of difference between ruling out segregation of school pupils by race or color and trying to set artificial quotas, with busing of children, as a means of "correcting racial imbalance." The first is just, reasonable, and the law of the land; the second does not fall into any of these categories.

Medicare in Britain

Wherever the palsied hand of bureaucratic blight extends, freedom withers. Take a recent illustration from Great Britain. The system of socialized medicine which has prevailed in that country for two decades has been so disadvantageous, from the standpoint of the doctors, that large numbers of the more gifted younger practitioners are emigrating to the United States, Canada, Australia, wherever the pastures seem greener. The Minister of Health in the present Labor Government, Mr. Kenneth Robinson, sounded off with a bitter reproach that conveyed at least the hint of a threat to the doctors' freedom of movement. It was very ungrateful and downright cynical, he declared, for a young doctor on whose training some $20,000 had been spent to take off for foreign parts in search of better living conditions for himself and

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his family. This is precisely the line of argument used by the communist East German authorities in defense of the erection of the Berlin Wall and its shoot-to-kill guards. Too many educated and technically trained young people had been fleeing to the West.

A Case History

There is nothing like a personal experience, a case history, to show how ugly bureaucratic blight is in operation, how it can harass and torment the individual who falls within its range. I have a friend who, with his wife, is eligible by some years margin for Medicare. Although he disapproved of the principle, he and his wife applied for its benefits in March, 1966. In his innocence he imagined that, under the provisions of the law, he and his wife would merely establish their ages and receive the necessary certificates.

But he soon learned that this is not in line with the first law of bureaucracy: never to make easy and simple what can, with perverted ingenuity, be made hard and complicated. His enlightenment began when an enormous bulging envelope with the dire initials HEW (Health, Education and Welfare) arrived with huge questionnaires, filled with impertinent and irrelevant questions, for instance, about income and earnings, although these have no bearing on the legal qualifications for Medicare. The questionnaires were duly filled out and dispatched to the designated address. The response was silence.

A personal visit to HEW about the end of July brought a confrontation with a female bureaucrat. With ill-concealed joy she rejected the passports which were presented as sworn evidence of the dates of birth of my friend and his wife on the ground that they were not old enough. Her advice was to ask the Board of Elections for proof that they voted in the town, although, from the standpoint of establishing age this seemed about as sensible as requiring them to whistle like canary birds. This formality was also complied with and the couple left for a trip in Europe.

On returning about the middle of September they found not the Medicare documents but three more bulging envelopes with repeat performances of the original questionnaire. At this point patience began to wear a little thin and the couple decided to wait for something more positive to happen. It didn't. About the end of September a telephone call was made to HEW and a female voice replied that two weeks would be needed for "investigation" – of an application that had been filed

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more than six months earlier. Two weeks later another bulging envelope turned up, with the typed answers to some of the questions in the original questionnaire, but no certificates.

Another personal call at the office of HEW was as futile and frustrating as the first. This time it was a male bureaucrat who pointed out that whatever his predecessor, the female bureaucrat, had demanded was wrong and laid down a new set of requirements. My friend experienced a fairly serious illness during the time when male and female bureaucrats were shuffling around and taking no action on his application, and paid out of his own pocket hundreds of dollars for which Medicare was supposedly responsible. To the faceless bureaucrats, male and female, whose object evidently was to obstruct and delay, not to help, this was a matter of no concern. They couldn't care less. It was as useless to appeal to their sense of reason and compassion as to argue with a computer or an adding machine.

So, seven months, six bulky questionnaires, and two maddeningly futile visits to the HEW office after the application was filed, my friend is without the Medicare to which he is entitled according to the law. Maybe it stamps him as a dreadfully reactionary old fogy. But there could be some understanding for his weary exclamation:

"Oh, for the bad old days, when this kind of bureaucratic inquisition was unknown and the combined snatches at your pocketbook by Federal, state, city, and other assorted tax vultures left you enough money to pay your own medical bills."

There was a time when Americans did not put up so sheepishly with inbred official bureaucratic arrogance, obstructionism, and deliberately planned delay. There is a most relevant passage in the Declaration of Independence:

"He has erected a multitude of New Offices, and sent hither swarms of Officers to harass our people and eat out their substance."

The time for a Declaration of Independence from bureaucratic blight and its legion of accompanying evils is long overdue. ◈

IDEAS ON LIBERTY

Property Precedes Charity

BUT if nothing is mine, then is there not only no justice, but no possibility of benevolence.

P. E. DOVE, *The Theory of Human Progression*

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ROBERT M. THORNTON

Let's NOT worry about the World

VERMONT ROYSTER, editor of *The Wall Street Journal,* has recently questioned the idea that it is the mark of a good citizen "to worry about world events. . . . The world's woes number some that aren't worth worrying about at all," he opines, and even if some *are* "worth worrying about, worrying doesn't get you anywhere." But these are especially terrible times, many will complain, to which Royster replies: "If ours are the worst of times, so were they all," for "wars, riots, upheavals, and worrisome matters of all sorts are not new to the world. What's new is the constant dinning of them into our brains. . . . The question is not whether black doubt lies ahead," Royster concludes, "but how men at different times meet their different doubts, whether with courage and ironic laughter or with whimpering."

Some years ago Albert Jay Nock remarked that there is "sound Christian doctrine" in the old saying: "There are two classes of things one should not worry about: the things one can help, and the things one can't help. If you can help a thing, don't worry about it; help it. If you can't help it, don't worry about it for you do no good, and only wear yourself down below par." A huge deal of nonsense is talked about "the woes of society, the sorrows of the world," said Nock, but "there is no such thing as the woes of society, and the world has no sorrows. Only individuals have woes and sorrows." Some persons "speak of being overcome by the sorrows of the world" and "borrow the world's troubles in the conviction that they are great altruists, when in fact they are only bilious and

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would be benefited by some liver-medicine and hard work in the open air."

While not wishing to "encourage hardness of heart," continued Nock, "one must allow something . . . for a possible light touch of morbidness in one's sentiment toward human sorrows, both individual and social. It is easy to get a bit too much worked up over distresses lying in one's purview – distresses, I mean, which with the best will in the world one cannot possibly alleviate, and with which perhaps one cannot even sympathize intelligently, since one has never experienced the like oneself."

Implicit in the demand that we worry about the woes of the world is a rebuke to those who enjoy good fortune while many do not. Joseph Wood Krutch has ably explained why he does *not* believe that "anyone who finds himself fortunate is morally obliged to refuse to enjoy his good fortune because all are not equally fortunate. It might be argued," he says, "that to refuse to accept happiness if everyone is not equally happy would not be a way of securing, even ultimately, happiness for everybody, but merely a way of making sure that misery becomes universal, since even the lucky will not permit themselves to enjoy their luck. Such perversity may seem a virtue to those who take certain attitudes, but it is perhaps not impertinent to point out that it has not always been so considered; that indeed, to Catholic theology it once was, and for all I know still is, a sin – the sin of melancholy which has been carefully defined as a stubborn refusal to be grateful for the good gifts of God."

The late Dean Inge was another who reminded us that in Christian doctrine melancholy – "a compound of dejection, sloth, and irritability, which makes a man feel that no good is worth doing" – is a moral fault. "St. Paul," writes the Dean, "warns the Corinthians against 'the sorrow of the world,' which 'worketh death.' The sorrow of the world is contrasted with godly sorrow, or repentance for sin." Then Inge quotes Chaucer: "This rotten sin maketh a man heavy, wrathful, and raw. Thence commeth somnolence, that is, a sluggy slumbering, which maketh a man heavy and dull in body and soul; negligence or recklessness that recketh of nothing whether he do it well or badly; and idleness, that is at the gate of all harms."

Inge recommends the advice of the Psalmist in our attitude toward things which are not in our power: "Fret not thyself, else shalt thou be moved to do evil. . . . We are not responsible," he writes,

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"where we have no power, and we have the divine promise that all things shall work together for good to those who love God."

The Dean tells a good story about a British Ambassador to the Hague who was "tossing about through the night in anxiety about the condition of his country. An old servant, lying in the same room, addressed him: 'Sir, may I ask you a question?' 'Certainly,' replied the ambassador. 'Sir, did God govern the world well before you came into it?' 'Undoubtedly.' 'And will He rule the world well when you have gone out of it?' 'Undoubtedly.' 'Then, Sir, can you not trust Him to rule the world well while you are in it?' The tired ambassador turned on his side and fell asleep." ◈

IDEAS ON LIBERTY

Progress Through Freedom

BUT STILL, while man in freedom makes his way,
Some good develops oft from day to day;
Secures advancement in the field of strife
While dipping oars upon the stream of life.
While under ban we only see the dwarf,
As men seem pigmies on the distant wharf.
But give full scope to man's unshackled soul,
To think and speak and judge without control;
And great development of mind will rise,
And great achievements will the world surprise.
Then will the mind throughout creation soar,
And wonders of the universe explore;
Inventions make, to aid the human race
In things substantial and aesthetic grace.
Religion gains its utmost purity,
When its development is wholly free.

REV. EDWARD CLEVELAND, Bible Sketches (1875)

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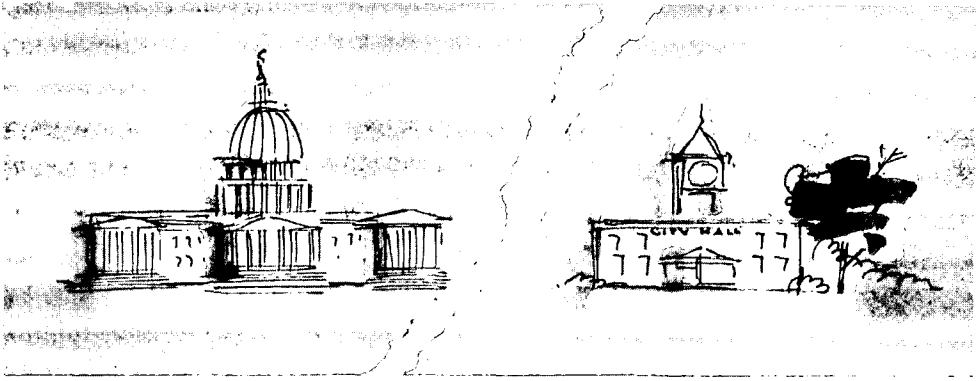

AMERICAN FEDERALISM: HISTORY

GEORGE CHARLES ROCHE III

A NUMBER of years ago, Richard Hofstadter made the point that the differences among key American political figures have been overemphasized, thus often disguising a wide area of agreement. As American federalism has been demonstrated in action during the past 180 years, it has been shaped and modified by our political conflicts, but the real essence of our American political tradition has been revealed quite as much by the area of agreement about ends and means underlying those conflicts.

The immediate attempts at explanation and definition of our new federalism published by thinking Americans in the early years of the Republic demonstrate this consensus. *The Federalist*, written by Hamilton, Madison, and Jay; *Defense of the Constitutions*, *Thoughts on Government*, and *Discourses on Davila*, all written by John Adams; *Letters of Publicola*, written by John Quincy Adams; and the *Farewell Address* of Washington – all emphasize defense of minority rights against majority dictatorship. They outline an American liberty based upon historical precedent and limited government.

Yet, the seeds of dissent were also present in the early Republic, with Americans of good will on both sides of the developing arguments. One of these arguments is best seen in the controversy between the Hamiltonian and the Jeffersonian view of the new nation. Hamilton was the prophet of a new order, a rising generation of capitalism and the burgeoning

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industrial revolution. Jefferson was the defender of the older agrarian order whose interests often seemed to conflict with an industrial America. The dispute between Hamilton and Jefferson is common knowledge and is extensively treated in virtually every history of our early years. What is more important, but frequently overlooked, is that Hamilton was a consistent advocate of the limitation of political power as the best safeguard of liberty, in the sense that he shared with Jefferson a distrust of excessive popular control. Our history books are often so busy telling us of the differences between Hamilton and Jefferson that they overlook the Hamiltonian fear of unchecked majorities and overlook the Jeffersonian acceptance of capitalism and the new industrial order that occurred after Jefferson became President.

Another classic quarrel of our early years also involved Jefferson. He and John Adams, both key figures in so many of the formative actions of the Republic, carried on a dialogue that embraced all facets of the new federalism. This was a bitter debate. The testy, irascible, blunt Adams wrote some letters to Jefferson that must have scorched the paper. Jefferson's response was characteristic of the sage of Monticello. He took his revenge by understating his case and by pretending that the barbs of Adams had gone unnoticed. Jefferson described Adams in a letter to a friend as "always an honest man, sometimes a great one, but sometimes absolutely mad." At the end of a friendship and feud covering well over half a century, it is symbolic of their relationship that both men were to die on the same day in 1826. It is even more symbolic that that day should have been July Fourth.

Checks and Balances

The system of checks and balances praised by Adams in 1789 in his *Defense of the American Constitutions* is largely an enunciation of our American political tradition. At the time of the French Revolution, Adams defended the American system and implied how different the American federalism was from the new system then developing in France:

> A despotism is a government in which the three divisions of power, the legislative, executive, and judicial, are all vested in one man. . . .

How did such despotisms come about?

> Helvetius and Rousseau preached to the French nation *liberty*, till they made them the most mechanical slaves; *equality* till they destroyed all

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equity; *humanity* till they became weasels and African panthers; and *fraternity* till they cut one another's throats like Roman gladiators.[1]

The doughty New England lawyer, like the rest of the Founders of the American federalism, always strongly emphasized practical concepts, based on history, common law, and a basic distrust of self-proclaimed saviors of the world. In a letter to John Taylor of Caroline he outlined his faith in human nature as he saw it:

That all men are born to equal rights is clear. Every being has a right of his own, as moral, as sacred, as any other has. This is as indubitable as a moral government in the universe. But to teach that all men are born with equal powers and faculties, to equal influence in society, to equal property and advantages through life, is as gross a fraud, as glaring an imposition on the credulity of the people as ever practiced by . . . the self-styled philosophers of the French Revolution. For honor's sake, Mr. Taylor, for truth and virtue's sake, let American philosophers and politicians despise it.[2]

Liberty Under Law

If America remains a nation where property and liberty are reasonably secure, if America remains a government of laws, not of men, much of the credit for the development and defense of such a system is due to John Adams, whose concept of "Liberty under Law" presupposes a system of constitutionally limited government, decentralized political power, and a deep and abiding faith in the American tradition of federalism, which in Adams' time was already approaching its two-hundredth birthday.

Adams once wrote Jefferson, "Whether you or I were right, Posterity must judge. . . ." He referred, of course, to the political differences that had developed between the Federalist party with which Adams had been associated and the Republican party of Jefferson. Here again the bitter dispute that took place in domestic American politics during the Napoleonic wars is a common subject of our history books. What is neglected is the wide area of consensus shared concerning American government even in the midst of these arguments. Adams and Jefferson both favored local government and institutions and suspected that good government often seemed to decline in exactly the same proportion as it moved further from the people being governed.

Our history books sometimes neglect to tell us that Jefferson as

[1] John Adams, *Letters to Jefferson*, 1817.

[2] John Adams, *Works*, VI, 454.

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well as Adams approved a balance of power between the national and state governments, that he spoke approvingly of *The Federalist* and was sympathetic to the Constitution, even writing to Adams in praise of his *Defense of the Constitutions*. Jefferson also feared an unchecked majority rule: "An elective despotism was not the government we fought for, but one which should not only be founded on free principles, but in which the powers of government should be so divided and balanced among several bodies of magistracy, as that no one could transcend their legal limits without being effectually checked and restrained by the others."[3]

Kentucky and Virginia Resolutions

After the passage of the Alien and Sedition Acts by the Federalists during the difficult days of the French Revolution, Jefferson and his close friend, Madison, developed the Kentucky and Virginia Resolutions, landmarks in United States federalism and in the development of the compact theory of the Constitution. In the Kentucky Resolution Jefferson insisted that the Federal Constitution had created a limited national government of certain definite and enumerated powers, reserving all other powers to the people and the states. In his lifetime, Jefferson repeatedly emphasized the close connection between decentralization and liberty. He placed his faith in a qualitative rather than quantitative democracy, urging that a body of informed and capable citizens, an aristocracy in the best possible sense of the word, was infinitely superior to a mere nose count that delegated all authority to some political potentate.

The American tradition of federalism was thus soundly launched. There were differences among our statesmen and thinkers: agrarian capitalism versus industrial capitalism, Southern aristocrats versus New England professional men. Yet North and South, agrarian and industrialist, aristocrat and middle class, our Founding Fathers shared an abiding distrust of excessively centralized authority and a basic faith in the American people, with their diverse interests and attitudes, as the true vitality of the growing tradition of American federalism.

Capitalism Encouraged

One of the dominant historical forces at work almost from the inception of the new Republic was the rapid expansion of a capitalist economy. The Industrial Revolu-

[3] As quoted by Richard Hofstadter, *The American Political Tradition and the Men Who Made It* (New York: Vintage Books, 1948), p. 29.

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tion and the unique opportunities available to an America with great room to grow were coupled with an aggressive and optimistic American spirit of individual responsibility and initiative. The decisions of Chief Justice Marshall and the arguments of his contemporaries, such men as Justice Story and Daniel Webster, built upon the Hamiltonian vision of America as enunciated in *The Federalist*. Great stress was laid upon the sanctity of contract and of private property. It appeared vital to provide sufficiently centralized power to prevent the abuses of any of these concepts within the separate state governments. Thus, capitalism received great support from the political system. What centralization was necessary to preserve the sanctity of contract and of private property did not, however, conflict with the American tradition of federalism as it had developed. A government of separated, limited powers, a close adherence to the principles of English common law and tradition remained very much in evidence.

Jackson's Role

Of course, Americans were still having their political arguments. The entrenched localized capitalism represented by the Charles River Bridge, or by the Southern agrarians, did not always approve of the sweeping social changes which a rapidly expanding capitalism brought to America. Some scholars of the Jacksonian era, notably Arthur M. Schlesinger, Jr. in his *Age of Jackson*, have described these domestic political and economic arguments of the time as though the Jacksonian movement were some sort of anti-capitalistic New Deal crusade against the powers of entrenched wealth. This is most emphatically not the case. It is much more nearly correct to see the political conflicts of the era as a sort of "new" capitalism versus "old" capitalism struggle. The Bank of the United States, for example, was attacked not in an assault upon capitalism, but as a complaint by a rising middle class against a monopoly situation that limited their own opportunities within a burgeoning capitalistic system.

Jackson himself was a western aristocrat whose primary appeal to a rising middle class was equality before the law and resistance to unwarranted centralization, whether in economics or politics. Nothing could make it clearer that the Jacksonian movement was well within the dominant American tradition than the fact that upon John Marshall's death, Andrew Jackson appointed to the Supreme Court Chief Justice Taney to fill

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the vacancy, whereupon Taney served for nearly thirty years, from 1835 to 1864, producing a series of decisions steadily strengthening the contract clause of the Constitution.

Jackson's chief opponent in the political arena, Henry Clay, was a consistent advocate of extensive capitalistic development. Daniel Webster also advocated such developments, and yet found no difficulty in remaining close to the traditions of American federalism. As a rising young politician in the West, not too many years later, Abraham Lincoln consistently emphasized self-help, the growing West of his times, and the great social mobility of capitalism. All of these men, Jacksonian or Whig, consistently urged greater economic opportunity for the individual and the sanctity of property and contract as the best safeguard of that opportunity. They envisioned a government that enforced the rules of the game while leaving open the widest possible avenues for individual initiative and varied capitalistic development in a thoroughly decentralized framework. As rising capitalists building toward modern America, the generations of pre-Civil War American political and economic thinkers continued to place their faith in the growing tradition of American federalism.

Southern Agrarianism

While the North and the West went the way of industrial capitalism, the South, tied to the land and to its "peculiar institution" of slavery, went the way of agrarian capitalism. A different strain of political thinking, southern agrarianism is also one of the formative elements of American political thought before the Civil War.

Perhaps a no more simon-pure spokesman for the Southern agrarian viewpoint could be found than John Randolph of Roanoke, an eccentric genius, unwilling to admit the slightest compromise with the new order. Randolph feared the results of excessive centralization and the impersonality of a government too far removed from the varieties of local experience. Discussing the House of Representatives, he asked: "But, Sir, how shall a man from Mackinaw or the Yellow Stone River respond to the sentiments of the people who live in New Hampshire? It is as great a mockery — a greater mockery, than it was to talk to those colonies about their virtual representation in the British parliament. I have no hesitation in saying that the liberties of the colonies were safer in the custody of the British parliament than they will be in any portion of this country, if all the powers of the

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states as well as those of the general government are devolved upon this House."[4]

Russell Kirk makes Randolph's attitude completely clear when he writes, "For Randolph, the real people of a country were its substantial citizenry, its men of some property, its farmers and merchants and men of skill and learning; upon their shoulders rested a country's duties, and in their hands should repose its government."[5] It is John Randolph who developed much of the political framework later brought to fruition by John Calhoun. The primary emphasis in that framework as it developed rested upon the doctrine of states' rights, a position not without validity. Indeed, an earlier biographer of John Randolph, the almost equally eccentric and irascible Henry Adams, has suggested that the doctrine of states' rights was in itself a sound and true doctrine: "As a starting point of American history and constitutional law, there is no other which will bear a moment's examination."

Randolph was especially critical of the commerce clause and the general welfare clause of the Constitution. He predicted that the great extension of the power of centralized government would someday occur through these legal avenues. Time has proven him correct.

Equality or Liberty

Calhoun built upon these suppositions. The "Iron Man," pressured by the necessity of the growing crisis that was to produce the Civil War, early came to grips with the problem of what constituted genuine equality and liberty. He warned that true liberty was compatible only with equality of *opportunity* and indeed was impossible if an equality of *condition* were to be enforced:

"Now as individuals differ greatly from each other in intelligence, sagacity, energy, perseverance, skill, habits of industry and economy, physical power, position and opportunity, – the necessary effect of leaving all free to exert themselves, to better their position, must be a corresponding inequality between those who may possess these qualities and advantages in a high degree, and those who may be deficient in them. The only means by which this result can be prevented are, either to impose such restrictions on the exertions of those who may possess them in a high degree, as will place them on a level with those who do not; or to deprive them of

[4] *Annals of Congress*, (18th Congress, 1st Sess.), p. 1304.

[5] Russell Kirk, *Randolph of Roanoke* (Chicago: Henry Regnery Co., 1964), pp. 34-35.

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the fruits of their exertions. But to impose such restrictions on them would be restrictive of liberty,– while to deprive them of the fruits of their exertions, would be to destroy the desire of bettering their condition. It is, indeed, this inequality of condition between the front and rear ranks, in the march of progress, which gives so strong an impulse to the former to maintain their position, and to the latter to press forward into their files. This gives to progress its greatest impulse. To push the front rank back to the rear, or attempt to push forward the rear into line with the front, by the interposition of the government, would put an end to the impulse, and effectually arrest the march of progress."[6]

Liberty, equality of *opportunity*, progress . . . these are John Calhoun's words, yet might just as easily be the words of a Jacksonian entrepreneur. And how is the government to be kept from interfering with this balance? Calhoun's answer, well within the spirit of American federalism, was his "theory of the concurrent majority." Under other names, Calhoun's idea has long been the way we have actually run the American Republic and made our decisions. Power is to be diffused through so many separate entities that local and regional principles, programs, and interests, representing the tremendous diversity of American society, are able to work together at some times and yet check one another at other times, allowing national business to go forward, and yet avoiding suppression of anyone's legitimate action for the benefit of anyone else.

[6] John Calhoun, *Disquisition on Government*, *Works*, I, pp. 56-57.

The Civil War

Admittedly, a wide gulf existed in some instances between the industrial capitalism of the North and West and the agrarian capitalism of the South. Yet, in a number of ways the political values to which both North and South appealed before the Civil War had much in common. Both espoused limiting the sphere of governmental action, both favored diffusion of power, both favored wide opportunities for individual differences and individual opportunities. In a word, both continued to do their thinking within the tradition of American federalism.

Yet, there remained a difficult road ahead for American federalism: the Civil War. The problem of slavery was being driven so far into the foreground that it could not much longer be ignored. The Southern agrarians were being driven by a small but intractable Northern abolitionist minority in-

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to wrapping the institution of slavery in the protective cloak of American federalism. Most Northerners were also concerned with slavery, but in a very different way. The threat of the expansion of slavery into the new territories as this nation grew seemed to the average Northerner to menace his free institutions, both economic and political. When the war finally came, the abolitionists who had done so much to bring it about were no longer in the forefront.

The struggle came to be between Northerners set on maintaining their federal system as it had existed and Southerners who wished to set up an almost identical federal system within which the institution of slavery would be protected. The underlying concepts of American federalism were thus espoused by both North and South, even as the struggle of section against section was carried out.

The statements of Lincoln before and during the war epitomize the Northern insistence upon the traditional American attitude toward limited government and individual opportunity. In 1858 he commented, "As I would not be a slave, so I would not be a master. This expresses my idea of democracy." In 1861, he defined democracy as "a government of the people, by the same people." Nothing in such sentiments conflicts with the basic intent of Calhoun's concurrent majority. The great question that needed to be answered, again in Lincoln's words, was, "Must a government, of necessity, be too strong for the liberties of its people, or too weak to maintain its own existence?"

States' Rights

The history books often don't emphasize the fact that states' rights had a history of great strength in the North as well as in the South, as for example in the Hartford Convention of 1814. Meanwhile, the South maintained a strong sentimental and intellectual attachment to the Constitution until the very eve of the Civil War. Both sides espoused the same tradition in political theory; the trouble came rather from a sectional conflict over differing sociological concepts. As Daniel Boorstin has phrased it: "The North and the South each considered that it was fighting primarily for its legal rights under the sacred Federal Constitution . . . As often in American history, a great political conflict was taking the form not of a struggle between essentially different political theories, but between differences of Constitutional emphasis. . . . The Civil War secessionist argument – like that of the Revolution, could be carried on in such a conservative vocabulary,

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because both events were, theoretically speaking, only surface breaches in a firm federal framework. Because of this, they both implied, win or lose, the continued acceptance of the existing structure of local government."[7]

The Reconstruction era, for all its senseless crimes and abuses by both the North and the South, demonstrated a remarkable reintegration of the South into the American Constitutional system. The Civil War had to be fought, perhaps, but both sides remained so much within the American tradition of federalism that the basic concepts of the American political fabric remained largely intact.

Racial Problems Remain

Since the American Civil War, the racial problem left as a legacy of slavery continues to plague both the South and the American federal system. In a case before the Supreme Court several years ago, Justice Frankfurter attacked "some recent suggestions that the Constitution was in reality a deft device for establishing a centralized government. . . ." Recalling Louis Brandeis' remark that the separation of powers was adopted "not to promote efficiency, but to preclude the exercise of arbitrary power," Frankfurter concluded with a suggestion we might all remember: "Time has not lessened the concern of the founders in devising a federal system which would likewise be a safeguard against arbitrary government. The greatest self-restraint is necessary when that federal system yields results with which a court is in little sympathy."[8]

The racial problem is still with us (as are innumerable other problems as well) but it ill-behooves us to destroy the American tradition of federalism in the course of attempted "solutions" to our problems. After all, that American tradition of federalism has itself proven to be the greatest problem solver the American Republic has ever found.

Since the Civil War, a large part of American economic and political success has been the result of the wide social diffusion of power traditional in America. The churches, business, labor, agriculture, and political parties, have all exercised a measure of authority within the system, outside of governmental control. State and local governments also serve to limit centralizing tendencies as they exercise their authority. Congress is composed of Senators and Representatives elected by localities and states and often representing na-

[7] Daniel Boorstin, *The Genius of American Politics* (Chicago: University of Chicago Press, 1953), pp. 122; 124-25.

[8] *Bartkus* v. *Illinois*, March 30, 1959.

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tional interest only in the sense that all of their separate and widely varied regional interests produce a national amalgam of opinion. It is behind this protective shelter of diffused and dispersed political power constituting the American federal system that the private individual has operated. It is this basic American tradition of an individual citizen freed from undue centralization of power that has provided the tremendous productivity and social mobility of the nation.

The Melting Pot

Another example of this social mobility achieved through the decentralization of political power would be the record of the American immigrant. America is often referred to as a "Melting Pot," yet many of the various nationalities that make up our national population retain a wide variety of cultural differences with great pride. This cultural diversity is protected by the American federal system. On the other hand, in a political sense America has been a "Melting Pot." Many of the Europeans coming to these shores have brought with them some of the more radical political beliefs of their homeland, yet upon arriving here have been absorbed into moderate political life. America has shown the world that the "consensus through diversity" of political life possible under federalism opens so many social and economic doors to so many people that radical political answers are no longer either necessary or desirable.

This blend of political stability and economic and social progress made possible through the diffusion and localization of power was noted as a basic American institution by Tocqueville well over 100 years ago. He pointed out that state and local governments had come first in America and that the national government had been designed later for special purposes. In his careful study of local government institutions in the United States he found that "municipal institutions constitute the strength of free nations . . . [because] a nation may establish a free government, but without municipal institutions it cannot have the spirit of liberty. . . . However enlightened and skillful a central power may be, it cannot of itself embrace all the details of the life of a great nation. Such vigilance exceeds the powers of man."[9]

The papers of the Founding Fathers, especially *The Federalist*, are filled with approval of popular rule, so long as that popular rule is *locally* oriented. Even the

[9] Alexis de Tocqueville, *Democracy in America* (New York: Vintage Books, 1958), pp. 63; 93.

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national government in its Congressional wing was to be a series of popularly elected senators and congressmen, each representing a small segment of the total political body. This heterogeneous representation is still with us and has produced what Willmoore Kendall describes as the "Two Majorities" within national politics. Even though the Presidential majority produces a single executive authority, the congressional majority puts up the money and passes the laws that allow that Presidential authority to be exercised, thus giving regional and local representation in all its diversity a powerful voice on the national scene.

A Changing Pattern

Just as regional diversity and the political authority accorded it were seen by Tocqueville as the very root and branch of American self-reliance and therefore of American greatness, it has also been productive of such sentiments as that epitomized by the moral rectitude of Grover Cleveland in his assertion that "the lesson should be constantly enforced that though the people support the Government, the Government should not support the people."[10]

Somehow in our own time a student of contemporary society cannot help but wonder whether or not there may be quite a number of Americans who no longer seem to espouse such attitudes. It sometimes appears that all too many citizens seem more interested in what the government can do for them than in their own self-reliance. Certain elements within our society, especially in the late nineteenth and twentieth centuries, have gradually developed a philosophy of government quite different from the American tradition of federalism. ◈

[10] Grover Cleveland, Veto Message, February 16, 1887.

An article to appear next month will deal with the erosion of American Federalism.

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The Impregnable Freedom

LOIS H. SARGENT

EVERY fresh economic restriction or control of an expanding bureaucratic government encroaches another degree upon individual freedom. But, no matter how much freedom of enterprise and action men may lose, there is one freedom that is absolutely impregnable: a man's freedom to think for himself.

This freedom assumes a singular importance today because of two opposing viewpoints contending for public acceptance. On the one hand, there is the political humanitarianism which would have us believe that a benign government should solve the problems of its citizens and create for them the ideal environment and society. On the other hand are the conservatives, or the libertarians, who believe that people produce and achieve more if placed upon their own responsibility and left free to carve out their destinies, each in his own way.

This controversy raises another question: *Do* individuals really determine their own destinies, or are they inevitably the product of environment and sociological conditions?

Now, no modern, well-read person will discount the influence of environment – the family, then the broader environment of friendships, educational background, community, working environment – upon the development of personality. As most psychologists explain it, they are interrelated and interacting. But logic and reason, when the subject is reduced to its basic principle, accord dominant influence to individual thinking and effort.

Mrs. Sargent, active for many years in the field of personal counseling, is a free-lance author from Springfield, Missouri.

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In support of this contention, I offer the following pertinent facts.

Everything that has been discovered, designed, or invented for the improvement or comfort of man has originated in some man's mind. Aside from its physical (nature) components, the environment of man has been created by man himself. And, as men have learned more and more about nature, they have learned how to adapt, adjust, and to a great extent, control it. And this, too, was initiated by mental effort.

Everything that has contributed to the advancement of civilization, and likewise, everything that has brought about its decay, has first been a thought in some man's mind.

Some persons may accept this generality, yet fail to apply the principle to themselves, thus failing to realize the extent to which their thinking determines the conditions of life.

If a man wishes to believe, as the proponents of the social gospel or socialists imply, that environment and circumstances direct his path in life, he is mentally free to accept this idea. If he thinks that way, the idea takes on reality and the environment looms as something that acts *upon* him, as a mold shapes metal.

The opposite viewpoint holds that environment and circumstances are something a man *reacts to;* he can decide for himself if he wants to accept it as it is, resist it, or change it, as his urges and aims may dictate.

Suppose Abraham Lincoln, contemplating in his childhood the utter poverty and limitation of his surroundings, had believed that his future would be shaped by his environment. His desire for learning and determination to get it, which paved the road he was to travel, might never have been awakened.

Suppose George Washington Carver had thought as a young boy: "I am just a poor black boy, child of slaves. How can I hope to rise out of such circumstances and make something of myself?"

Without the vision which impelled ambition and effort to overcome obstacles and alertness to make the most of help that circumstances did occasionally provide, the world would never have heard of either of them.

The records of business, industry, and the professions abound with biographies of self-made men and women who used their God-given freedom to think for themselves, and with will, faith, and labor, rose from humble beginnings to make their dreams come true.

They had to think in that direction before they could travel it.

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Fortunately for them, their *national* environment then presented no insurmountable obstacles, but allowed them maximum freedom to pursue the goals they envisioned. This can still be done today, if the initiative and will are strong enough, but the odds are greater than they once were.

The fact that this nation has enjoyed the fastest progress, and has had the highest standard of living in the world, seems proof enough that individuals are quite capable of working out their own destinies, and will have better opportunity if they live in an atmosphere of political and economic freedom.

Further, it seems logical, as a corollary, that sociological problems will be solved easier and with less expense within that framework, where the conditions of each community can be accurately studied and appraised.

Many and varied are the causes of the present blight upon our freedom, and so complex and interwoven are they that it would be impossible to single out the leading one.

But we can keep before us this one truth: a city or civilization is but the outward projection of the ideas of men. What men visualize, they will eventually produce, for better or worse. Free enterprise, republicanism, democracy, socialism, social-welfare, subsidies, price controls, deficit spending, and all the rest were once just ideas.

If we are dissatisfied with what ideas produce, we can re-examine the ideas. Not all ideas that sound good in theory prove worthy in practice, and unfortunately, the originators of inefficacious ideas are ever loath to revise their viewpoints. But this need not bind the minds of their critics.

If we find that economic and other freedoms are slipping away from us, we should regard this as a challenge to discover why and where ideas went astray. Ideas can bring about the decay of a civilization; ideas can save or rebuild it.

Freedom of thought is impregnable; the one freedom that does not have to be legally protected nor fought for – it has but to be cherished and *used*. ◈

IDEAS ON LIBERTY

Alexis de Tocqueville

MEN THINK they manifest their greatness by simplifying the means they use; but it is the purpose of God which is simple – his means are infinitely varied.

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"The Politics of Surrender"

M. STANTON EVANS believes that chickens come home to roost. Or, in the words of the late Richard Weaver, that "ideas have consequences."

The consequences of pseudo-liberal ideas for the West, as they are set forth in Mr. Evans' voluminous but tightly argued *The Politics of Surrender* (Devin-Adair, $6.95), are likely to be pretty horrendous. The root assumption of pseudo liberalism, as Mr. Evans sees it, is that convergence of western capitalism and communism is more or less ordained by "history," and that there is no use fighting it. This "liberal" assumption isn't pure Marxist determinism, for the pure Marxists believe that capitalism is destined to go down in a series of catastrophic convulsions. The "liberal" assumes that as the West moves toward socialism, the Communist East must move toward democracy, with a peaceful embrace in a world state looming as the culminating destiny of mankind. It never occurs to the "liberal" that socialism, which implies state compulsion in dealing with the energies of men, is, if pressed beyond a certain point, utterly incompatible with democratic politics. The "merger" of West and East which the "liberal" hopes to see accomplished depends on the surrender of one set of ideas or another – and it is the thesis of M. Stanton Evans that the West is in process of doing the surrendering.

It is, of course, a straggly process, for humanity balks at "clean" solutions, and ideas beget counterideas. However, the pseudo liberal has a way of achieving bureaucratic power that is somewhat frightening. Mr. Evans begins by analyzing some of the important pseudoliberal documents which, even when they are officially denounced, manage to affect the speeches of important statesmen and the course of action of administrators.

There are *The Liberal Papers*,

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with a revealing preface by James Roosevelt, for example. And there is *Study Phoenix*, prepared by Vincent Rock, a "senior research analyst" at something called the Institute for Defense Analysis. The ideas expressed in these and other "liberal" documents all revolve around the theory that the intentions of Moscow and Peking must be ultimately peaceful. The consequences of this theory will be devastating if it is wrong.

Mr. Evans is encyclopedic in tracing out the connections between idea and "happening." *Study Phoenix* talks about an "interdependence" between Moscow and Washington. To Vincent Rock "interdependence" means that a "balance of terror" can be maintained by the two great powers through simultaneous cuts in armament. Picking up from the *Phoenix* assumption, Dr. Seymour Melman of Columbia University and Dr. Jerome Wiesner of Massachusetts Institute of Technology have been telling recent Washington administrations that if the U.S. refrains from "provocative" arms building, Russia will follow suit.

Hence a decision, taken in the Kennedy Administration, not to go ahead with the deployment of a Nike-Zeus or Nike-X antimissile missile system. Wiesner considered that such deployment might convince the Russians that we were getting ready for an atomic blowoff. The result of "scaring" the Soviets would be to provoke them into speeding up the development of an effective antimissile grid on their own.

Alas for the Melman-Wiesner way of thinking, the Russians have gone ahead with antimissile research and development even without being "scared." Mr. Evans can take it as an ironic justification for his book that its publication practically coincided with Secretary of Defense McNamara's announcement that the Russians have an antimissile missile and are proceeding to deploy it in a way that makes it necessary for the U.S. to come up with a more potent offensive atomic weapon than can currently be fired by our forty Polaris submarines.

For libertarians, Mr. Evans' long discussion of the foreign policy ideas disseminated by "experts" who wrote for the publications of the Institute of Pacific Relations is particularly pertinent. The IPR has been denounced by a Senate subcommittee as "a vehicle used by the communists to orientate American Far Eastern policies toward communist objectives." (The quote is from a 1952 report of the Senate Judiciary Committee.) Whether or not

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there was conscious collusion between the communists and the IPR, the IPR publications encouraged the idea that Mao Tse-tung's Chinese Communism wasn't really communism, but just an Oriental version of Jeffersonian agrarianism. The IPR writers accused Chiang Kai-shek of heading a "corrupt" and "reactionary" government, and sold the notion to General George Marshall that there should be a "coalition" regime in Peking. When Chiang Kai-shek refused to make a coalition with his Marxist enemies, the U.S. withdrew military support from the nationalist Chinese. And, after the dust had settled, the communists had taken over the mainland and Chiang had been driven to the offshore island of Formosa.

The percolation of IPR ideas did not end with the de facto creation of "two Chinas." For, as Mr. Evans points out, the IPR theories are surfacing again with the drive to throw the Formosa Chinese out of the UN and to seat Red China.

This drive is of peculiar significance to libertarians for the simple reason that it threatens an island that has become a most heartening example of what men can do in freedom. Unable to put his ideas across on the mainland because of twenty years of war and revolution, Chiang Kai-shek has had a peaceful island interlude during which he has solved the agrarian question that still bedevils his great rival, Mao Tse-tung. Instead of expropriating absentee landlords on Formosa, the Chiang government bought them out by offering them shares in the big national cement companies. Then it proceeded to denationalize the companies, which forthwith became very prosperous. Thus the old landlords became the new capitalists on Formosa. And the peasants, now in possession of their own rice paddies, have had an incentive that has made Formosa self-sufficient in food.

Indeed, it is far more than that. Not only does the island, which is less than three hundred miles long, feed its thirteen million inhabitants; it is also managing to develop a big export surplus of canned pineapple, bananas, sugar, mushrooms, and even rice. The relative economic freedom that pertains on Formosa has given Free China the second highest standard of living in the Far East. By contrast, Mao Tse-tung's Red China is the worst of slums.

Since these are ascertainable facts, it is doubly amazing that the "politicians of surrender" should even dare to talk about handing Free China's seat in the

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UN to Red China, or even to promote a "two China policy" that would weaken Formosa's defenses in a world that shows no signs of forswearing violence.

Virtually a library in itself, Stanton Evans' book provides detailed histories of all the important East-West confrontations since 1945. In its pages you can find all you need to know about the Bay of Pigs, the Cuban missile crisis, the Dominican Republic affair, the war in Katanga, the Diem murder, the partition of Laos, and the communist drives in Africa. This is a "must" book for anyone who wants to know the world of 1967. ◈

▶ 1787: THE GRAND CONVENTION by Clinton Rossiter (New York: The Macmillan Company, 1966) $7.95, 443 pp.

Reviewed by Robert M. Thornton

THIS is a fine handbook for anyone interested in the making of our Constitution. The information about the framers, like the documents in the appendices, is, of course, helpful, but the most valuable passages in the book are those devoted to the leading ideas in the air during the summer of 1787. As another reviewer, M. Stanton Evans, has remarked, one could hardly ask for a better expression of the "key ideas in the consensus

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of political thought in the new republic" than appears on pages 60-64.

As is well known, the Constitution is a "bundle of compromises." While most of the delegates to the Convention wished to build a new nation, shared the goal of "ordered liberty," and agreed as to the *general* form of government best for Americans, their deliberations represented a clash of interests, each one jealous of powers granted to the others. But the framers, although representing opposing interests, never suggested resolving their differences by an appeal to arms. Nor did they express any desire to bring about unity in the form of a dictatorship. Most of these men had earlier risked their lives, their fortunes, and their sacred honor for the cause of liberty, and they wanted nothing to do with any form of despotism, either dictatorial or democratic.

Vital to success was the privacy of the convention's proceedings. In our age of "instant publicity" it is difficult to imagine such an event taking place with hardly any leaks of information by the participants and little pressure from outsiders to learn what was taking place behind closed doors in the State House (Independence Hall) in Philadelphia. In the glare of publicity such as we have today, the necessary frankness in debate and the flexibility to compromise would have been impossible.

The framers, although not without confidence in their abilities and in the use of reason tested by years of political experience, did, nevertheless, hold to a humble view of their limitations. Their goal was not a perfect society but a tolerable one. They did not deny the shortcomings of their finished work but asked its critics if a second convention could produce anything better that would be acceptable to the people of the several states.

Although these men deliberated in privacy, the fruit of their labors had to be submitted to the people for approval and then, if accepted, it would have to prove itself in actual use. The framers did not intend their document to be a lecture room exercise in political theory; they aimed to produce a Constitution which would work.

Throughout the book Rossiter challenges those who have accused the framers of acting solely from selfish motives or of bringing off a bloodless counterrevolution. On the contrary, the fifty or so men who labored from May to September, 1787, were disinterested to a remarkable degree and their splendid efforts represented a necessary and proper culmination of what had begun in 1774-1776. ◈

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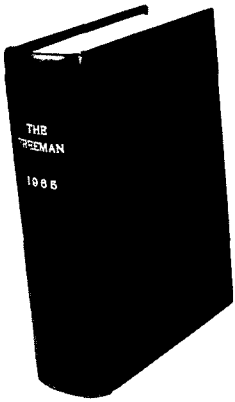

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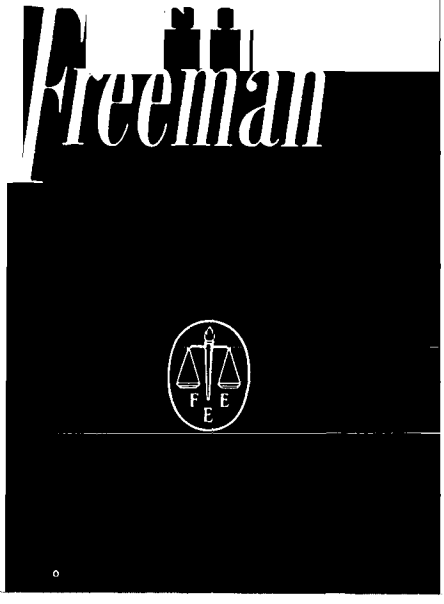

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■ A system for the support of indigent persons in the United States was never contemplated by the authors of the Constitution; nor can any good reason be advanced why, as a permanent establishment, it should be founded for one class or color of our people more than another. Pending the war many refugees and freedmen received support from the Government, but it was never intended that they should thenceforth be fed, clothed, educated, and sheltered by the United States. The idea on which the slaves were assisted to freedom was that on becoming free they would be a self-sustaining population. Any legislation that shall imply that they are not expected to attain a self-sustaining condition must have a tendency injurious alike to their character and their prospects.

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